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EDITORIAL

As We See It

It is not altogether easy even for those with good memories to recall very vividly the degree of fervor with which the early New Dealers preached the "mature economy" doctrine, or to realize fully the type and number of measures advocated on the basis of that assumption. Still less easy to comprehend is the swiftness of the later shift to the notion that almost infinite growth was still ahead of us if only we shaped our policies to encourage it. It is obvious, however, that the growth doctrine is now almost a fetish with nearly all politicians and many economists in this country most of whom are quite as ready to experiment in an effort to attain indefinite growth as the former New Dealers were in their endeavor to solve all our problems by a redistribution of wealth and income. The President last week well epitomized popular feeling on this subject when he said that "the important point is that they (the Republicans) recognize, and the Government recognizes, and every group recognizes the necessity . . . of attempting to work out economic policies which will maintain our economy at an adequate rate of growth. That's the great problem for us."

A New Philosophy

It is of interest to note that this is, so far as we recall, the first time that we have been through this sort of experience when times were good and conditions improving. We have often taken a sort of mild interest during periods of prosperity in measures designed to head off depressions or limit their severity. The proposals brought forward at such times have been for purposes of influencing the rate of business activity at some future date when presumably there was need for something to prevent a sharp recession in business activity. Now, however, the emphasis is less upon keeping a boom going than upon helping it to attain greater vitality and volume, and at least (Continued on page 26)

Reviewing the Bases for Investing In Today's Greater Opportunities

By Armand G. Erpf, General Partner,
Carl M. Loeb, Rhoades & Co., New York

Lesson on premises and principles guiding investment decisions takes in changes prompted by the market's decline, and pointedly examines the investor's and speculator's dilemma revolving around (1) multiples or valuations, and (2) spectrum of securities from entrepreneurial to staid organizational concerns. Probe of the market's tumble includes the disastrous decoying role of "wonder-wonder science" securities. Evaluational analysis divides equities into four categories, using electric utilities as a norm, and the corporate structure into several layers. One of the conclusions reached is that "there has never been a greater number of . . . opportunities . . . than there is at present."

Now that the market has had a severe tumble, it is necessary to review the premises and the principles under which investment and speculative advice is rendered. The overexuberant psychology of 18 months ago has been replaced by colder realism and by a deepening of the chasm in the confidence of the relationship between industry and the Administration.

The stock market suffered and had to sustain the shock of a heavy revaluation of a broad segment of securities largely in the wonder-wonder science fields which captured the imagination of the public and professionals alike. To these many hundreds of companies valuations or multiples if you will — but in this case largely multiples of sales since earnings were minor or erratic—were applied comparable to multiples customarily applicable to growth companies, overlooking the fact that science companies were brilliant but radical speculations sub-

ject to vicissitudes and that growth companies are, or should be, companies which have carved out for themselves portions of the civilian market in which they had demonstrated a mastery, a superiority, a franchise factor, and a record of growth which permitted and even invited a higher multiple than would be applicable to either the cyclical companies or industries, or pedestrian companies grinding out a plateau of monotonous earnings.

Why The Decline?

The downfall in the fortunes of many of these companies were occasioned by a variety of causes: product development, brilliantly conceived, and promising breakthroughs were delayed or vitiated; Government contracts brought volume but no profit, or severe losses; obsolescence was rife in that remarkable products were replaced by newer ones; cash resources here and there ran out; and industries, for example the semi-conductors, whose aggregate sales had gone from a few million dollars to half a billion dollars, achieving phenomenal breakthroughs, suffered a price demoralization, so that even with a 50% increase in unit output, dollar volume was only the equivalent of the previous year, damaging the image of invincibility. Applied science shares continue a fascinating field for valid speculation. By and large they are speculations where success may be spectacular but they should not be confused with the concept of regular sales and earnings increases, which certain types of mass consumption and service companies may portray. The discovery principle and the breakthrough potential are the paramount considerations in their generous valuations.

The rising multiples accorded equities since 1958 brought to the public market a wide variety of service type companies which had been in existence for many years, but privately owned. These companies, where the base was strong and the position not readily assailable, were properly accorded high multiples unrelated to their assets since the valuation had to (Continued on page 23)



Armand G. Erpf

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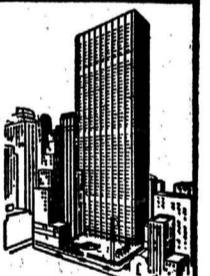
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WILLIAM L. DEWART
 Analyst, John Muir & Co.,
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Milgo Electronic Corp.

When Astronaut John Glenn orbited into fame on Feb. 20, 1962, a world-wide tracking system maintained constant position and progress vigilance over him. Milgo Electronic Corporation was a key contributor in the design, development, and manufacture of this complex, octopus-like instrumentation network.



William L. Dewart

Milgo, located in Miami, Fla., was organized in late 1955 and, since its inception has played leading roles in such important programs as Mercury, Discoverer, Wallops Island, and MISTRAM. Currently, the firm is participating under a contract with Gen-

eral Dynamics/Astronautics in GLOTRAC, a highly advanced tracking system to be used with the Advent Program.

Concurrent with its work on space and missile programs, Milgo has devoted a considerable amount of time and effort to research and development activity. During the first half of fiscal year 1961-1962, Milgo completed development and is in current production of its new fully transistorized Plotting Board. All of Milgo's Plotting Boards are capable not only of the conventional ink plot, but also of printing the complete alphabet, all numerals, and a wide variety of special symbols.

The company recently announced that a Western District Office was opened on May 1, 1962, in order to broaden market coverage. Simultaneously, it was announced that work had begun on a new consolidated engineering building of 37,000 square feet. This building, which will be ready for occupancy by October, 1962, will be interconnected with the existing facilities and will increase the total plant area occupied by the firm to over 100,000 square feet.

For the six months ending March 31, 1962, Milgo reported the following significant figures:

	For the Six Months Ended March 31		For the Year Ended Sept. 30
	1962 (unaudited)	1961	1961
New orders.....	\$2,960,000	\$1,363,000	\$3,078,000
Sales.....	1,671,000	1,553,000	3,485,000
Net profit before taxes.....	255,000	84,000	393,000
Net profit after taxes.....	125,000	43,000	194,000
Shares outstanding.....	489,740	487,084	489,740
Earnings per share.....	26c	9c	40c
Price range.....	17-12 1/4	29 1/2-13 1/2	28 3/4-15 1/2

Milgo has served a wide cross-section of industry, including in its list of customers such outstanding names as IBM, Western Electric, RCA, Philco, General Dynamics, Sanders Associates, Lockheed, General Electric, The Martin Co., and a host of others.

The company has enjoyed contracts with all branches of the Armed Forces and with NASA. Milgo has installed its systems at virtually every missile and satellite tracking range in the United States and at such far-flung overseas locations as Australia, South Africa, and the islands of both the South Atlantic and South Pacific.

While the majority of the company's activity to date has been in connection with government sponsored programs, Milgo has built up a strong product line which could readily find a market in non-defense oriented industry. Process control, data processing, and sequencing programmers are but a few of the applications which the company's present systems could perform.

In addition, the firm has in development a General Purpose Analog Computer. The first elements, which can be incorporated into existing computer installations, are expected to be available before the end of the year. Concentrated marketing in the area of non-defense industrial applications will be undertaken in the near future.

The company's cash position is excellent. There is no long-term funded indebtedness and the company has operated for the past six months without external funds.

Current assets as of March 31, 1962, were \$2,294,000. Cash items \$243,000. Current liabilities were only \$731,000, or 3.1 to 1.

Stockholders' equity was \$2,140,000, and book value per share \$4.38 against \$3.88 of like 1961 period.

From its inception, the company has enjoyed brilliant management, with planned depth.

The stock is actively traded in the Over-the-Counter market, and represents an excellent equity in a fine growth situation of great scientific importance.

Current price is approximately 7 bids, 8 3/8 asked.

W. GRAEME BRETALL

Manager, Research Dept., Pacific Northwest Co., Seattle, Wash.

Boise Cascade Corporation

Boise Cascade Corporation represents a unique situation in the forest products industry. For the past five years the company's highly regarded management has pursued a program of integrated growth through expansion into related fields.

This long-range plan is resulting in a vitality and stability seldom found among forest product companies. Since the inception of this program the company has nearly quadrupled in size and now ranks as the third largest timber producer in the Western United States.

The present company was formed in May of 1957 through the consolidation of Boise Payette Lumber Co. and Cascade Lumber Co., marking the first move of the present management. Following its planned program of expansion, the company has become a fully integrated producer, user, wholesaler and retailer of lumber and



W. Graeme Bretall

This Week's
Forum Participants and
Their Selections

Milgo Electronic Corp.—William L. Dewart, Analyst, John Muir & Co., New York City. (Page 2)

Boise Cascade Corp.—W. Graeme Bretall, Manager of Research Dept., Pacific Northwest Co., Seattle, Wash. (Page 2)

lumber products. Boise Cascade and its principal wholly-owned subsidiaries—Ames Harris Neville Co., Monarch Lumber Co. and Construction Finance Co.—are engaged in the ownership and management of timberlands; the growing and harvesting of timber and its conversion into lumber, plywood, pulp and paper, corrugated containers, multiwall bags and related products; the manufacture and sale of concrete products, ready-mix concrete and aggregate; the sale of building materials through 14 wholesale and 129 retail outlets; the wholesaling of recreational equipment, and the financing and servicing of construction loans. In a further move to refine its product line the company has introduced, within the last two years, factory-built building components and can now offer a complete home package produced at any one of eight plants, strategically located throughout its service area.

Home-based in Boise, Idaho, the company's plants along with its wholesale and retail outlets are located principally in the north-west corner of the country in an area between Colorado and Washington. While its primary markets are the West Coast and Rocky Mountain States, Boise Cascade ships lumber and plywood nationwide. It's a well-known fact that this service area has a population growth significantly higher than the national average which should help accelerate the company's expansion rate.

Backing up this large, well-integrated operation are company-owned timber reserves of more than 550,000 acres, carried on the books at a fraction of its true value. This timber, along with adjacent stands of government-owned timber, is sufficient to support an annual cut of over 550 million board feet. It is the company's policy not to harvest more timber than it can grow on an annual basis, thereby preserving this natural resource. In addition, management is constantly at work to obtain the best possible utilization from this valuable resource.

Boise's latest and largest expansion move came in April of 1962 when it acquired Columbia River Paper Co. for \$60 million in cash. Columbia River, with sales of approximately \$27 million last year, is the largest producer of fine papers in the West. In addition to its operating facilities Columbia River owns in fee over one billion feet of prime standing timber located primarily in Western Oregon. The acquisition of Columbia River will add further elements of stability and growth to Boise's operations and should increase the net earnings accruing to stockholders.

Sales for Boise Cascade in 1961 were \$137.6 million—up 5% from 1960 results and nearly four times those reported in 1956. Net income in 1961 was just over \$3 million or \$0.82 a share, down from \$3.4 million or \$0.91 a share the year before. The drop in earnings resulted from a decline in residential construction, nonrecurring expenses associated with plant improvements and increased competition in the concrete products industries. However, since year-end there has been a sharp pick-

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A Bullish View on the Stock Market's Future

By Anthony Gaubis,* Investment Counselor, New York City; Publisher of "Business and Investment Timing"

Mr. Gaubis forecasts new highs in the market averages in the next six to eight months; spells out the evidence supporting his optimistic point of view; offers general investment-selection advice backed by several illustrative companies, and indicates the qualities forecasters should possess. Specifically, the investment advisor predicts we have seen this year's lows, and a likely 10% D-J's rise over last year's highs between November and early 1963—particularly if gold is devalued—followed by a downward trend. He refers to today's realistic pricing, plentiful money supply, tendency for institutional funds not to reduce their holdings in shifting during the past 14 months of adjustment, and expects stocks will continue to sell at higher ratios to earnings. To help reduce the risk of future panics contributed by the misunderstood D-J industrials average, Mr. Gaubis suggests it be split so that a one-point change in the 30 stocks results in a one instead of a 10 point change in the Index.

I feel that customers' brokers can do as much or more as a group to help straighten out some of the loose thinking in Wall Street than can any other organization. I have in mind that they are "on the front line" in Wall Street and are continually in contact with the public who have the largest direct and indirect stake in what happens to the stock market. Quite frankly, I do not envy their position in the financial field. To do a conscientious job, they must try to protect customers against extremes of emotionalism, but this frequently requires violating the cardinal rule of merchandising, which suggests that it is never wise to argue with customers who must be considered "always right."



Anthony Gaubis

We are just emerging from one of those fortunately rare occasions where the stock market has been dominated by emotionalism rather than economics or logic. I suspect that most customers' brokers have found it as difficult to get people to hold on to or buy some of the stocks that have been making headlines because of the extent of their declines, as they did to get people to accept profits in such issues, or to at least avoid buying them when they were selling at 2 or 4 times current quotations. No one can refute the logic that the more the price of any security declines, the better the relationship of its price to basic values. However, much of the Wall Street propaganda would seem to suggest that the reverse of this axiom represents the truth.

Market Excesses

At this point I should like to mention that one of the contributing causes to the occasional excesses in the stock market is the widespread tendency to become progressively more optimistic as prices advance; with the chronic pessimists becoming especially vociferous after an extended decline. The severity of the setback

since the end of April can be attributed in part to the fact that the latter group have been flooding the country with their "I told you so" propaganda and predictions of even more dire consequences from now on. Those of us who have been part of Wall Street for twenty-five years or longer, and have lived through at least the second largest bear market on record—that which started in 1937; and perhaps even through the 1929-1932 period—recognize the fallacies behind this type of advice and market influence.

Unfortunately, many of the less experienced investors do not know that the authors of some of the current extremely negative propaganda were every bit as pessimistic in March, 1938, when the Dow-Jones Industrials were on the verge of an advance of 60% within eight months; or in April, 1942, when the market was setting a base for an advance of 133% within the next four years. Some of the same voices were predicting catastrophe when the stock market was recording its lows, in the summer of 1949; in late 1957; and when it was at about current levels in October, 1960.

The voices of these pessimists are supported quite frequently by groups of younger technicians who proclaim the virtues of some newly discovered technical relationship which is supposed to be the ultimate answer in forecasting because it worked in this particular instance, and retroactively in one or two others. Common sense tells us that if anyone is ever going to find a fool-proof technical approach to short-term market forecasting, it will probably be on the day after someone finds a way of beating the roulette wheels in Las Vegas.

Know the Forecaster's Record

I am leading up to the fact that I think it is very important not to take any stock market appraisal or forecast too seriously unless you know the record of the forecaster and his favored forecasting studies in actual practice over a period of years. Even then, the possibilities of occasionally being wrong (or right!) should not be ignored, but I think we might all make fewer mistakes if we tried not to let ourselves be influenced by opinions of individuals or con-

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OBSERVATIONS...

BY A. WILFRED MAY

FALL-OUT FROM THE MARKET EXPLOSION

SUGGESTED ADDENDA TO A PENDING INVESTIGATION

We hope that on the completion of its own Special Study of the market's performance on the black—and grey—days of busted-boom, the New York Stock Exchange will not be found to have evaded the basics of the situation. Following the initial findings which have just been released, additional instalments will be coming along during July, with a final wrapping-up of the findings scheduled for September.

The Preliminary Findings

In the first report President Funston submits "preliminary data" on identification of various participants in the frenzied market proceedings, including the following: those responsible for the selling "pressure" on Black Monday, May 28 ("long-term investment accounts" [sic] held by the public); the "investors" who sold during the following Tuesday morning's further decline ("smaller accounts"); the buyers during that afternoon's rally ("larger investors were more evident, generally buying shares of well-known companies"); and the participants in Thursday's rally ("many of the buyers were in the middle-income ranges").

Also interesting but superficial, are the Exchange's findings, that the small odd-lot investor, along with institutions, bought on balance over the three-day period; that activity was largely centered in men, with no pronounced activity by the ladies; and that during the Thursday rise, "many of the buyers were in the middle-income group."

The Exchange also finds that the Floor Specialists, along with "other members and member organizations," played a vital role,

"proving offsets to the surges of sales and purchases by the public."

Crucial Omissions

Wholly omitted are the reasons which prompted the sudden frenzied selling, particularly by those "long-term investors". We would like to learn from the participants whether their previous stock acquisitions had been prompted by the past representations by the Exchange itself. We recall that this "agency of democratic capitalism" in a \$460,000 advertising campaign early in 1961, stated that its members in "helping you to own your share of American Business", would boost stock buyers' long-term investors' retirement incomes and help them to become independent: ("Your Social Security may fall far short of that. And any fixed retirement income you plan today may seem painfully small twenty years from now. That's why it may be a good idea to include good common stocks in your plans." Again, "Stock holdings make you part owner of a company. And many blessings can flow from that.")

Why the Shifts of Purpose?

If their stock acquisition had indeed been so motivated, what caused those selling investors, particularly the "long-term" variety, to change their minds and dump their stocks so precipitously?

What caused them to feel subsequently that either retirement income isn't so important after all, or that common stock ownership won't do the trick; or that they can get their ownership "blessings" better elsewhere? What caused them to shift their concept of the stock market to a ring for betting on the course of business or other external events, or a numbers' game, in lieu of the

means for acquiring business ownership on a long-term value basis?

If, on the other hand, the Exchange's pollsters find that today's so predominating sellers had bought for other than its proclaimed investment motives, the institution might as well discontinue its huge propaganda outlays, as too tough a job for it, and the high-minded Exchange should frankly and straightforwardly admit its continuing performance as an anti-investment, if not an outright gambling, institution.

Some Constructive Suggestions (Respectfully Submitted)

As also includable in the Exchange's later reports, we suggest responses from the current sellers as to their having been previously influenced, as buyers, by the rampant SPLITOMANIA. This most popular Bull Market delusion embraces the credo that slicing a share unit into smaller pieces automatically increases the issue's value—a procedure consistently urged by the Exchange itself (as in its House magazine) as well as the rest of the Wall St. community.

Incidentally, the findings on how the Split fever got the Bull Market "investors" so hopped-up might well provide the solution to that now so widely discussed puzzle of what has caused the subsequent painful Split-by-the-Market of IBM.

Many other possible causes of the speculative excesses might well be unearthed by conscientious Exchange polling of the market participants. For example, light might be shed on the actual effects of the Exchange community's relentless over-emphasis of capital appreciation ("making a fast buck"); manifested, as one of a thousand instances, by some member firms' score-keeping of changes in the Dow Jones Average via out-door electric signs. And additional questioning (not necessarily on the psycho-analytic couch) might ascertain why male sellers were revealed as more fickle investors than the women.

Flashy Investing

—(or playing with numbers?)

Most timely in highlighting the Exchange's delusions in portraying itself as an investment institution is its proud announcement made last Wednesday (June 13), of further acceleration of the ticker's "flash" technique, to combat its present delays on heavy-volume days. The "flash" list has now been increased to 100 stocks, of which 90 or more will be printed on the tape in strings about six times during a session.

Surely this latest gadget for further quotation speed-up, is completely out of line with, if not actually a saboteur of, investment conduct—under almost any definition!

The Exchange Highlights a Basic Abuse

"The most valuable man—or woman—in a brokerage organization is not necessarily the one who sells the most securities. Ideally, he is the man who helps the right people select the right amount of the right securities for the right reasons."—From the Statement of G. Keith Funston, President N. Y. Stock Exchange to SEC Special Study, May 25, 1962.

Actually, the impossibility of accomplishing this so perfectly expressed ideal under the Exchange's no-order-no-pay commission system, goes far in substantiating it as a major cause of market boom-and-bust.*

The Exchange might well also include this area in the extension of its Break investigation, by asking the market participants whether, and if so, to what degree,

*cf. OBSERVATIONS, May 31, 1962.

sales pressure had been responsible for their previous acquisition of the shares now sold.

* * *

"1929-Again" Department

"Persons high in Republican [sic] circles are beginning to believe that there is some concerted effort on foot to utilize the stock market as a method of discrediting the Administration. Every time an Administration official gives out an optimistic statement about business conditions, the market immediately drops."—Statement by the Chairman of the Republican National Committee midst the post-1929 debacle.

(Happily, President Hoover, as has President Kennedy today, personally disassociated himself from this political line.)

* * *

TAX-HAVEN UNLIMITED

Panama's Minister of Finance and the Treasury, Gilberto Arias, on his visit here last week informed us of both the unchanged state of his country's tax rules and its intention to continue them so.

While income belonging to U. S. residents, cannot, of course ever

be brought home un-taxed, the existing privileges are now of particularly timely interest in the context of our Administration's pending proposals for tightening-up on U. S. companies' earnings abroad.

Panama's benefits accruing to foreign owned enterprises relate both to the gross amount of taxes paid, and to the timing of such payments.

Panama does not tax income which is earned outside its borders; motivating "triangular" transactions. Thus a United States enterprise incorporated in Panama, but conducting its business outside of both Panama and the United States, can pile up its earnings completely free of current taxation. Furthermore, such triangularly operating Panama companies have not been required to file income tax returns in either the U. S. or Panama.

While our pending tax program is not primarily directed at "triangulation" by major American companies, such practice as well as further opportunities in Venezuela, Haiti, and Bermuda along with Panama should perhaps be taken care of in ancillary legislation.

Securities Trainees' Program

WASHINGTON, D. C.—The Investment Bankers Association of America and the New York Stock Exchange are cooperating in offering a concentrated five-week program of two courses for trainees in the securities business from July 22 to August 24 at Northwestern University, announced Curtis H. Bingham, IBA President, and President, Bingham, Walter & Hurry, Inc., Los Angeles. Securities firms are encouraged to enroll their employees for the full program covering Fundamentals of Investment Banking and Stock Exchange Operations.

This two-course offering is designed to provide the general knowledge of securities, securities markets and investment principles and practices which is essential for a person training to become a registered representative of an organization in the securities business, according to Robert Mason of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Chicago, Chairman of the IBA Education Committee. In addition to preparing the registrant for the New York Stock Exchange and the National Association of Securities Dealers qualifying examinations, these courses provide comprehensive background information and a sound basis for subsequent, more advanced study as the registrant matures through experience.

The first course, Fundamentals of Investment Banking, will be offered from July 22 to August 18 and will be taught by Professors Harold W. Torgerson and Bion B. Howard, with the assistance of other faculty members in the Northwestern Finance Department. This concentrated four-week classroom course is designed primarily to give trainees an intensive basic indoctrination so that they may become integrated into the securities business much more rapidly. The following topics will be covered in detail:

- Economics of Investment Banking.
- How to Read Financial Statements and Corporate Reports.
- The Instruments of Investment Banking.
- Basic Concepts of Investment Yield.
- Special Financial Problems of the Corporation.
- Analysis of Major Classes of Securities.
- Marketing of Securities.
- Investment Policies and Programs.

The second course, Stock Exchange Operations, will be offered concurrently from July 22 to August 24, with the last week devoted solely to this subject. Professor Loring C. Farwell of the Northwestern School of Business will teach this portion of the dual program and experienced speakers on various phases of stock brokerage will supplement his instruction. Stock Exchange Operations is designed to acquaint the registrant with the rules, practices and procedures of the organized exchanges, with particular reference to the New York Stock Exchange. It also covers the regulations of the Securities and Exchange Commission and the National Association of Securities Dealers pertaining to market and brokerage office procedures, and emphasizes sound business practices essential to good brokerage-customer relationships. Specific topics covered are:

- Securities and Security Markets.
- Constitution and Rules of the New York Stock Exchange.
- Listing Requirements of the New York Stock Exchange.
- Stock Exchange Procedures.
- Stock Delivery and Transfer.
- Broker-Customer Relationships.
- Protection of Customers.
- Other Security Markets.
- Current Problems of the Securities Business.

These two courses provide an excellent and economical program for training new personnel, either men or women. Trainees will live in a new dormitory on the Evanston Campus; they will attend classes in the Technological Institute Building nearby. Enrollment in both courses will be limited to 80 registrants. Fundamentals of Investment Banking may be taken separately, but employees of stock exchange members will benefit most from taking the combined program. The tuition charge of \$485 for the Fundamentals course alone and \$650 for both courses covers all costs of instruction, room, meals, text materials, and notebooks.

Applications for this training program should be sent to the IBA Washington office accompanied by remittance in full. An announcement folder and additional information about these courses may be obtained from Education Committee, Investment Bankers Association of America, 425 Thirteenth Street, N. W., Washington 4, D. C.

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Life Stocks! Attractive Vehicle for Market Reentry

By Dr. Ira U. Cobleigh

Citing the choice values which the market sell off has now created in a group of stocks which has, for three generations, consistently outperformed other quality equities.

The volume, the velocity and the descent of the stock market in the not-so-merry month of May, while creating more agony than ecstasy, have delivered one very desirable by-product. They have compelled investors to re-appraise security values — to winnow the wheat from the chaff. Investors have learned the hard way that it takes something more than glamor to justify a 50 times price/earnings ratio, and that quotations of fashionable romantic stocks, such as electronics, can melt like butter in the noonday sun when competition stiffens, sales slacken and profits are squeezed.

So it is that in current "comparison shopping" knowledgeable buyers, arranging for the investment of new funds or planning reentry into the market at this stage, are increasingly turning to life insurance stocks. Here the growth gain and glamor have been solidly demonstrated, not for just a year or two, but continuously for over three generations. This record is truly impressive, and as investors and analysts now review it, they become excited about life stocks and frankly wonder why they didn't start buying them years ago.

An Ever-Growing Industry

Life insurance is a most attractive industry. It deals in something that never goes out of style — Money! It has no inventory problems, no obsolescence, no

costly outlays for plant modernization or renewal, and no Common Market to worry about. It has low labor costs (below 20% of gross income), it supplies an indispensable commodity, delivers consistently high returns on invested capital, is virtually depression proof, and has averaged a growth rate of above 15% annually during the entire Twentieth Century.

\$126 Billion in Assets

Total assets of the life insurance industry are now over \$126 billion; up \$7 billion in 1961 alone. They have increased consistently in every year since 1890, and have doubled since 1950. Premium income quadrupled between 1935 and 1960. At the end of 1961 there was \$670 billion of life insurance in force (\$52 billion above 1960); and for the year 1961, the income of life companies was a whopping \$23 billion — \$18 billion in premiums and \$5 billion from investments. This year, while other industries are feeling a "profit squeeze," life insurance is racking up new highs in assets, income and profits.

Speaking of other industries, we have tabulated below 10 blue chip stocks and set down their growth records over a ten year period. Then, we've compared those results with investment in 10 leading life insurance companies during the same period.

There is no assurance that gains of this order may be duplicated

A \$10,000 INVESTMENT OVER 10 YEARS

Industrials vs. Life Stocks			
	Investment June, 1952	Value June, 1962	% Gain
INDUSTRIALS			
1. International Business Machines	\$10,000	\$159,930	1,499
2. Eastman Kodak	10,000	51,509	415
3. Sears Roebuck	10,000	41,855	319
4. General Electric	10,000	33,082	231
5. United States Steel	10,000	28,487	186
6. General Motors	10,000	27,881	179
7. E. I. du Pont de Nemours	10,000	24,889	149
8. American Tel. & Tel.	10,000	21,489	118
9. Radio Corporation of America	10,000	21,276	113
10. Standard Oil of New Jersey	10,000	20,426	104
		\$43,118	†331
LIFE STOCKS			
1. Franklin Life	\$10,000	\$254,050	2,441
2. U. S. Life	10,000	252,414	2,424
3. Government Employees Life	10,000	235,281	2,253
4. Commonwealth Life	10,000	126,437	1,164
5. Continental Assurance	10,000	74,575	646
6. National Life & Accident	10,000	71,163	612
7. Connecticut General	10,000	62,858	529
8. Travelers Insurance	10,000	50,400	404
9. Lincoln National Life	10,000	50,000	400
10. Aetna Life	10,000	47,357	374
		\$122,454	†1,125

*Average Value †Average Gain

We are pleased to announce the election of

August Belmont

as President

and

Frederic H. Brandt

as Chairman.

Dillon, Read & Co. Inc.

New York, June 20, 1962

in coming years, but the above comparisons, strongly document the case for life stocks.

How typical are these gains? Well, let's compare a \$10,000 investment in the 30 stocks of the Dow-Jones Industrial Average with \$10,000 invested in the 30 stocks making up the Alfred M. Best Life Stock Index. The results for 10, 15, and 20 year periods, ending January, 1962, are—\$27,500 vs. \$90,000, \$42,000 vs. \$207,000, \$65,000 vs. \$430,000—all in favor of life stocks.

After examining these comparative performance records, you're quite likely to ask two questions. "What caused it?" "Will it happen again?" The "What caused it" has been explained in part in earlier paragraphs, but in a nutshell it's this: "More people—buying more life insurance—and living longer!" Right now, life insurance coverage per family in the U. S. is \$10,800 vs. \$4,600 in 1950, and the figure jumps each year.

Will It Happen Again?

Our population will boom to 210 million in 1970, bringing some 30 million new potential life insurance buyers. Due to remarkable advances in medical science, the span of human life is steadily lengthening; which means that people keep paying premiums for many more years. Further, the high leverage in life stocks, the rising trend in investment returns (4.25% in 1961 against 4.11% in 1960), and the plowback and compounding of earnings should continue to build stockholder equities at an unusually rapid rate.

Growth in Net Worth

As proof of this, note the following increases in capital and surplus in a single year (without attaching any value to changes in reserves or insurance in force) for representative companies.

Gains in Capital and Surplus Year 1961 over 1960

Company	% Gain
Aetna Life	10.6
Continental Assurance	13.3
Franklin Life	15.4
Travelers Insurance	15.5
Jefferson Standard	24.5
Republic National	20.8
United Services	24.9

This retention of earnings is a feature of most life companies, since the general practice has been to pay nothing or only 10%-20% net in cash dividends, retaining the rest. Recognition of this plowback, and growth in net worth, is given in the form of quite frequent stock dividends. Thus, it is growth in market value, rather than current income that continues to attract life stock buyers. They believe "it will happen again!"

Timing

For those impressed with the statistics of the industry, an inquiry about current price levels of quality life shares may be relevant. Has the market decline brought some of these issues into a favorable range? The answer would appear to be "yes." Seasoned life stocks today can be purchased at 16 times 1961 earnings; and many now sell at about their average prices in 1960. Thus, today's buyer may get the benefit of two years growth in assets and net worth—without paying a dime for it!

We conclude without any pronouncement on the immediate direction of the market, but with considerable confidence that, in the current decade, life shares may again signally outperform industrial equities of comparable stature.

Stern Bros. Branch

ALBUQUERQUE, N. M.—A. Darel Fowler has been elected an Assistant Vice-President of Stern Brothers & Co. and will be in charge of the firm's new office in the Bank of New Mexico Building. Mr. Fowler was formerly with Quinn & Co. in Denver.

FROM WASHINGTON . . . Ahead of the News

BY CARLISLE BARGERON

An intensive propaganda campaign is being pursued by the Kennedy Administration that we have been all wrong in keeping track of the money we spend. We should adopt the European plan of a "modern" or "capital" budget. Of course, this would make possible another spending spree.

In essence a "capital budget" would match the amount of money taken in each year with current expenditures. The amount of money borrowed for long-term capital investment, such as public works and various loans, would not be counted in the regular budget at all.

This would mean that with \$93 billion in tax revenue and \$92.5 billion in expenses, from which latter figure they would subtract \$8.8 billion in loans and public works programs, the Federal economists could claim a surplus of \$9.3 billion, just by claiming that the \$8.8 billion didn't really exist. The money would go out, but the government would float long-term bonds to cover it.

However, since many of the foreign aid commodity credit loans never get repaid, there is a serious flaw in the theory that anything the government invests on a long-range basis can be ignored as a budget item.

What the Administration wants to do is to sell the idea that we really aren't in bad fiscal shape (although interest on the national debt is a cold \$9 billion a year that can't be juggled by manipulating budget figures) and that we are really floating around in a surplus that should justify a tax cut and more spending.

In an economy such as ours, increases in Federal expenditures must come from the private sector of the economy through taxes. Anything else is deficit spending. What some people around Mr. Kennedy want to do is to deprive the private sector of as much money as possible, and then claim it is unable to stimulate business and industry properly. Thus the government would be given an excuse to move in, as has been done in Europe. In France and Germany, government expenditures boost business, because they don't have our system of government, and their own governments own 20% of all business. This is the path the "ADA's" would like to have Mr. Kennedy travel. There is no doubt that the Ad-

ministration intends to run up higher deficits. Treasury Secretary Dillon advised the House Ways and Means Committee that the Administration is opposed as a matter of policy to reducing spending as a means of reducing deficits. And Walter W. Heller, the President's chief economic adviser, recently boasted that government spending in the fourth calendar quarter of 1962 will be \$10 billion above the same calendar quarter of 1961.

Meanwhile, a quiet educational campaign has begun to convince the public that current Federal budgeting is out-dated. Stories by newspaper writers sympathetic to the Administration have been extolling European budgeting methods and the viewpoint that the one sure way to boost economic growth is to greatly increase even the present rates of deficit spending.

In his commencement address at Yale, the President himself described as a "myth" the traditional view that Federal deficits create inflation and that surpluses prevent it. He said "honest assessment plainly requires a more sophisticated view than the cliché that deficits are inflationary."

Richter & Co. to Be Corporation

As of July 2, Richter & Co. Inc., a New York Stock Exchange member corporation, will be formed with offices at 350 Madison Ave., New York City. Officers will be Charles Richter, Chairman; James A. Richter, member of the Exchange, President and Treasurer; and Max Fabrikant, Vice-President and Secretary. Messrs. Charles and James Richter are partners in Richter & Co.

A. L. Stamm & Co. To Admit to Firm

Malcolm J. Babbitt, National Sales Manager for A. L. Stamm & Co., 120 Broadway, New York City, members of the New York Stock Exchange, on July 1 will become a partner in the firm.

We are pleased to announce that

PHILIP D. DAVIDSON

has joined our

Syndicate Department

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June 18, 1962.

Tax-Exempt Bond Market

By DONALD D. MACKEY

The market for state and municipal bonds has been trendless during the past week despite the transaction of sizable new issues and secondary market business. The season's largest issue, \$100,000,000 State of California bonds, was purchased by a large group headed by several New York and Chicago banks. The underwriting was successful but the distribution of the issue is best described as limited. A few of the banks took the bulk of the loan down for portfolio and other purposes. A smaller number of insurance companies purchased bonds, and the members of the group variously took down the balance save for about \$9,000,000 which remains in account. Other issues of lesser volume and importance were similarly disposed of in the course of the last week.

Investors Cautious

Although these have been welcome performances, and well cared for an awkward volume of bonds in a very sensitive phase of the market, it points up the abnormal circumstances under which municipal bond dealers are presently attempting to operate. Caution among individual investors deriving from our confusing economic picture and its dangerously upsetting influence upon the equity market has deprived dealers in tax-exempts of that normally substantial segment of state and municipal bond interest.

In the absence of the investor business, and with insurance companies and other institutional buying reduced to the "hand to mouth" variety, there is relatively little general demand by which to arrive at intelligent bidding views for new issues. Recently, through rather special bank interests, new issue volume has been fairly well taken. However, account balances although small have usually resulted in diminishing profits and in many cases net losses for the accounts. Had the new issue volume during the past few weeks been as large as it often is at this time of year, the market would be under substantially more pressure than it has been.

Yield Index Steady

The Commercial and Financial Chronicle's high grade general obligation 20-year bond yield index is about unchanged from a

week ago. Derived from the yields on actual offerings, this Index averages out at 3.092%. A week ago the yield was 3.096%. In view of the apparently large volume of business transacted last week, this evidence of a steady market is remarkable in face of the nervous conditions circumscribing all phases of the investment industry.

At the moment of the drastic stock market break last month, state and municipal bond inventories were at a record peak and prices for tax-exempt bonds generally were at somewhat unrealistic high levels for the average investor. Despite this culmination of adverse factors, inventories have been reduced to more manageable proportions and the market has been orderly although lower.

Technical Position Favorable

Moreover, the market level may now appeal to broader investment demand and as soon as the economic atmosphere is better clarified, a more inviting tax-exempt bond market is likely to develop. As we go into the summer months with a relatively favorable level of municipal bond prices, and with at least a close to average inventory situation (current Blue List total is \$504,288,600) the market seems further favored by a moderate new issue calendar. Through July the new issue schedule totals but \$375,000,000. Of this total, as thus far constituted, there are no so-called king-size issues. The largest issue aggregates \$25,000,000 and there are but three which total between \$20,000,000 and \$25,000,000. Moreover, there is but little indication that the new issue calendar will be enlarged much before fall.

In the negotiated issue sphere there appears to be nothing new since the \$92,000,000 New York City Transit Authority announcement of last week. This issue may come to market in the fall.

Unwarranted Thinking

The tax-exempt market developed particular nervousness on Tuesday following a very dull session on Monday. Street rumors persisted that involved an increase in the discount rate. Even though such an action lacked logic, the credulity of traders seemed to increase and the municipal dollar markets were adversely affected as were the government and cor-

porate bond markets. Late in the day it was reported that the Federal had seen fit to disavow any such rate change at present. This was at least helpful in restoring some confidence along the trading tables.

It is thought that there will not be an announcement concerning new Treasury financing made this week. It is held rather that the announcement will be made in early July. In Washington it is speculated that more than the cash financing terms may be involved at that time. It may be that some advance refunding may be envisaged; what this should mean to the bond market is difficult to guess at present.

Recent Awards

The new issue calendar for the past week totaled a little over \$178,000,000 but this of course included the huge \$100,000,000 State of California Veterans' loan and when this issue was subtracted from the over-all total, the calendar amounted to a meager \$78,000,000. All eyes were focused on the California loan last Thursday and as expected three groups bid for this issue. The syndicate managed jointly by the Bankers Trust Co., The First National Bank of Chicago, Halsey, Stuart & Co., Inc. submitted the highest bid, of a 3.2075% net interest cost, for the bonds maturing 1964-1988. The runner-up bid designating a 3.247% net interest cost was made by the Bank of America N.T. & S. A. and associates and the last bid of a 3.2835% net interest cost was made by William S. Morris & Co.

Other major members of the winning account included Smith, Barney & Co., Lehman Brothers, Drexel & Co., Chemical Bank New York Trust Co., Continental Illinois National Bank and Trust Co., The Northern Trust Co., Kidder, Peabody & Co., Phelps, Fenn & Co., The First National Bank of Boston, The Philadelphia National Bank, Stone & Webster Securities Corp., Salomon Brothers & Hutzler, and L. F. Rothschild & Co. Scaled to yield from 1.80% in 1964 to 3.40% in 1987, this issue attracted wide demand with \$50,000,000 of bonds sold on a group and priority basis and an additional \$30,000,000 of bonds moving out of account during the order period. Since the original offering the account has sold down to yesterday's balance of \$9,000,000. The 1987 maturity carried a one-quarter of 1% coupon and were offered at a 4.35% yield.

There were two other high grade issues of importance last Thursday with bidding very competitive. Buffalo, New York sold \$9,663,000 various purpose bonds due 1963-1976 to the syndicate headed by Morgan Guaranty Trust Co. on their dollar price bid of 100.5986 for a 2.70% coupon. The second bid designating a dollar price of 100.531 also for a 2.70% coupon was made by the First National City Bank and associates.

Other members of the winning syndicate are First National Bank of Chicago, Kuhn, Loeb & Co., Smith, Barney & Co., Harriman Ripley & Co., White, Weld & Co., F. S. Moseley & Co., Clark, Dodge & Co., Coffin & Burr, Inc., National State Bank of Newark, New Jersey. Reoffered to yield from 1.60% to 2.90%, this issue attracted broad demand with the present balance being \$2,445,000.

New Haven, Conn. awarded \$9,480,000 public improvement (1964-1982) bonds to the group managed jointly by Bankers Trust Co. and Harris Trust and Savings Bank at a net interest cost of 2.812%. The second bid, of 2.825% net interest cost, was made by Halsey, Stuart & Co., Inc. and associates and there were five additional bids ranging from 2.83% net interest cost to 2.841% net interest cost.

Continued on page 47

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 21 (Thursday)			
Harwich, Mass.	1,400,000	1963-1982	11:00 a.m.
Indianapolis Sanitary District, Ind.	8,100,000	1964-1993	10:00 a.m.
Islip, Union Free S. D. No. 9, N. Y.	2,705,000	1963-1992	2:00 p.m.
Jacksonville Beach, Fla.	1,200,000	1963-1992	11:00 a.m.
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.
June 26 (Tuesday)			
Arlington Indep. Sch. Dist., Texas	1,900,000	1963-1993	7:30 p.m.
Brookhaven U. F. S. D. No. 2, N. Y.	1,300,900	1963-1992	3:30 p.m.
Haverhill, Mass.	3,634,000	1963-1982	11:00 a.m.
Houston Indep. Sch. Dist., Texas	12,500,000	1963-1992	11:00 a.m.
Minnesota State Bd. of Investment	4,400,000	1966-1987	11:00 a.m.
Pennsylvania State PS Bldg. Auth.	14,150,000	1962-2001	Noon
Wauwatosa, Wis.	2,840,000	1963-2002	2:00 p.m.
Wis. State Agencies Bldg. Corp.	13,185,000	1965-1992	10:00 a.m.
June 27 (Wednesday)			
Babylon Union F.S.D. No. 7, N. Y.	1,453,000	1963-1992	1:00 p.m.
Baltimore County, Md.	18,800,000	1964-2001	11:00 a.m.
Coeymans, New Scotland, Bethlehem etc., Central S. D., N. Y.	1,475,000	1963-1982	11:00 a.m.
Dallas Ind. S. D., Tex.	10,000,000		
Edison Township, N. J.	3,250,000	1964-1985	8:00 p.m.
Georgia State Highway Auth., Ga.	11,600,000		
Houston, Texas	4,000,000	1975-1992	10:00 a.m.
Oyster Bay Cent. S.D. No. 4, N. Y.	5,270,000	1963-1991	11:00 a.m.
Passaic County, N. J.	1,127,000	1963-1983	11:00 a.m.
Pittsford, Perinton, Mendon, etc. Central Sch. Dist. No. 1, N. Y.	1,990,000	1963-1982	2:00 p.m.
Winter Haven, Fla.	1,100,000	1963-1978	2:00 p.m.
June 28 (Thursday)			
Agricultural & Mechanical College of Texas, College Station, Texas	5,000,000		10:00 a.m.
Boyle County, Ky.	1,100,000	1964-1981	2:00 p.m.
Canandaigua, City S. D., N. Y.	1,875,000	1963-1992	2:00 p.m.
Chicopee, Mass.	1,695,000	1963-1982	11:00 a.m.
Craneford Township S. D., N. J.	4,735,000	1963-1991	8:00 p.m.
Forrest County, E. Forrest Utility District, Miss.	1,220,000	1966-1982	2:00 p.m.
Irondequoit W. Cent. SD #3, N.Y.	2,400,000	1962-1981	11:00 a.m.
Islip Central Sch. Dist., #7, N. Y.	4,997,000	1963-1991	1:00 p.m.
New Richmond Exempted Village School District, Ohio	2,500,000	1963-1984	Noon
Orange Indep. Sch. Dist., Texas	1,600,000	1963-1992	7:30 p.m.
Point Pleasant Sch. Dist., N. J.	1,800,000	1963-1980	8:00 p.m.
Port Arthur Indep. S. D., Texas	1,950,000		2:00 p.m.
Richland, Wash.	2,115,000	1963-1984	7:30 p.m.
St. Joseph's College, Rensselaer, Indiana	1,700,000	1964-2001	10:00 a.m.
Univ. of Texas, Board of Regents	5,000,000		10:00 a.m.
July 2 (Monday)			
Cedar Falls, Iowa	2,500,000	1963-1977	2:00 p.m.
July 10 (Tuesday)			
Blomington Ind. SD #271, Minn.	1,410,000		
Greater Peoria Sanitary & Sewer Disposal District, Ill.	20,000,000	1964-1982	Noon
Los Angeles Sch. Dist., Calif.	21,000,000		
Memphis, Tenn.	23,000,000	1963-1992	2:30 p.m.
Toledo, Ohio	1,472,000		
July 11 (Wednesday)			
Litchfield Indep. SD #465, Minn.	1,390,000	1965-1992	8:00 p.m.
July 12 (Thursday)			
Florida Development Commission	25,000,000	1965-1990	11:00 a.m.
Hillsdale Local Sch. Dist., Ohio	1,100,000		
St. John The Baptist Parish Sch. District No. 1, La.	1,900,000	1963-1983	11:00 a.m.
Tarrant County Water Control & Improvement Dist. No. 1, Texas	13,500,000	1964-2001	11:00 a.m.
Washington Local Sch. Dist., Ohio	2,400,000	1963-1982	Noon
July 16 (Monday)			
Cascade Co. HSD No. 1-A, Mont.	3,000,000		8:00 p.m.
Westfall Local Sch. Dist., Ohio	1,395,000		
July 17 (Tuesday)			
Arkansas State College, Board of Trustees, State College, Ark.	1,587,000	1964-2001	2:00 p.m.
Cook County, New Trier Township High Sch. Dist. No. 203, Ill.	1,825,000		
Lafayette, La.	2,500,000		
Orlando Utilities Commission, Fla.	14,000,000	1965-1992	
Pennixville Area Jt. S. Auth., Pa.	3,385,000		8:00 p.m.
July 23 (Monday)			
Dallas, Texas	12,400,000	1963-1982	
Rocky River, Ohio	1,300,000	1963-1987	Noon
July 24 (Tuesday)			
Anchorage Indep. S. D., Alaska	4,250,000		10:00 a.m.
July 31 (Tuesday)			
San Diego Unified Sch. Dist., Calif.	14,827,000	1964-1983	
August 7 (Tuesday)			
Los Angeles, Calif.	7,250,000		
West Allis, Wis.	2,880,000		
August 8 (Wednesday)			
San Antonio, Texas	20,000,000	1964-1983	
Wichita Sch. Dist. No. 1, Kansas	1,086,000	1963-1982	10:00 a.m.
August 15 (Wednesday)			
Jacksonville, Fla.	7,650,000		11:00 a.m.
Sept. 1 (Saturday)			
Grandville Sch. Dist., Mich.	2,150,000		
Jacksonville, Fla.	7,650,000		

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3 1/2%	1982	3.40%	3.30%
Connecticut (State)	3 3/4%	1981-1982	3.30%	3.15%
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	3.15%	3.00%
New Housing Auth., (N.Y., N.Y.)	3 1/2%	1981-1982	3.15%	3.05%
Los Angeles, Calif.	3 3/4%	1981-1982	3.40%	3.30%
Baltimore, Md.	3 3/4%	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 3/4%	1981	3.30%	3.20%
New York, N. Y.	3%	1980	3.35%	3.25%

June 20, 1962 INDEX = 3.092%

*No apparent availability.

ESTABLISHED 1894

**STATE AND MUNICIPAL BONDS
CORPORATE BONDS
LOCAL STOCKS**

The Robinson-Humphrey Company, Inc.

RHODES-HAVERY BLDG. ATLANTA 3, GEORGIA
JACKSON 1-0316

New Issue

\$100,000,000

STATE OF CALIFORNIA

1/4%, 3%, 3 1/4%, 3.30%, 3.40% and 5% Veterans' Bonds

Dated July 1, 1962

Due February 1, as shown below

Principal and interest (February 1, 1963 and semi-annually thereafter August 1 and February 1) payable at the office of the State Treasurer of the State of California, Sacramento, California or at the option of the holder at the First National City Bank, New York, New York or The First National Bank of Chicago, Chicago, Illinois.
Coupon bonds in the denomination of \$1,000, registerable only as to both principal and interest at the office of the State Treasurer.

Interest exempt from Federal and California Income Taxes under present laws

Legal Investment, in our opinion, for Savings Banks and Trust Funds in New York, California and certain other States and for Savings Banks in Massachusetts and Connecticut and eligible as security for deposit of public monies in California

These voted bonds, to be issued for Veterans' purposes, in the opinion of counsel will be valid and legally binding general obligations of the State of California, payable in accordance with the Veterans' Bond Act of 1960 out of the General Fund of the State, and the full faith and credit of the State are pledged for the punctual payment of both principal and interest. The bonds are authorized for the purpose of assisting California war veterans to acquire farms and homes, the cost of which must be repaid to the State on an amortized purchase basis.

AMOUNTS, RATES, MATURITIES AND PRICES

(Accrued interest to be added)

Amount	Rate	Due	To Yield	Amount	Rate	Due	To Yield or Price	Amount	Rate	Due	Price or Yield	Amount	Rate	Due	Price or Yield
\$2,600,000	5%	1964	1.80%	\$3,200,000	5%	1970	2.60%	\$4,000,000	3%	1976	100	\$5,000,000	3 1/4%	1982	100
2,600,000	5	1965	2.00	3,200,000	5	1971	2.70	4,000,000	3	1977	100	5,000,000	3.30	1983	100
2,600,000	5	1966	2.15	3,200,000	5	1972	2.80	4,000,000	3	1978	3.05%	5,000,000	3.30	1984/83	100
3,000,000	5	1967	2.30	3,400,000	5	1973	2.90	4,600,000	3	1979	3.10	5,600,000	3.30	1985/83	3.35%
3,000,000	5	1968	2.40	3,400,000	5	1974	3.00	4,600,000	3 1/4	1980	3.15	5,600,000	3.40	1986/83	100
3,000,000	5	1969	2.50	3,400,000	3	1975	100	4,600,000	3 1/4	1981	3.20	5,600,000	3.40	1987/83	100
												5,800,000	1/4	1988/83	4.35%

Bonds maturing 1984 to 1988 inclusive subject to redemption as a whole or in part in inverse numerical order on February 1, 1983 or any interest payment date thereafter at par and accrued interest.

These bonds are to be initially issued by the State of California at not less than their par value, and a taxable gain may accrue on bonds purchased at a discount. Investors are required under existing regulations to amortize any premium paid thereon.

When, as and if issued and received by us and subject to approval of legality by the Honorable Stanley Mosk, Attorney General of the State of California and by Messrs. Orrick, Dahlquist, Herrington & Sutcliffe, Attorneys, San Francisco, California.

- | | | | | |
|---|--|--|--------------------------------------|---|
| Bankers Trust Company | The First National Bank
of Chicago | Halsey, Stuart & Co. Inc. | Smith, Barney & Co. | Lehman Brothers |
| Drexel & Co. | Chemical Bank New York Trust Company | Continental Illinois National Bank
and Trust Company of Chicago | The Northern Trust Company | Kidder, Peabody & Co. Phelps, Fenn & Co. |
| The First National Bank
of Boston | The Philadelphia National Bank | Stone & Webster Securities Corporation | Salomon Brothers & Hutzler | L. F. Rothschild & Co. |
| R. W. Pressprich & Co. | Paine, Webber, Jackson & Curtis | Mercantile Trust Company | First Western Bank and Trust Company | Carl M. Loeb, Rhoades & Co. |
| W. H. Morton & Co.
Incorporated | Alex. Brown & Sons | American Securities Corporation | The Bank of California | Baxter & Company J. C. Bradford & Co. |
| Dick & Merle-Smith | Dominick & Dominick | Francis I. duPont & Co. | Hallgarten & Co. | Hemphill, Noyes & Co. W. E. Hutton & Co. |
| Laidlaw & Co. | Lee Higginson Corporation | F. S. Moseley & Co. | The National State Bank
Newark | Schwabacher & Co. Braun, Bosworth & Co. First of Michigan Corporation |
| Bacon, Stevenson & Co. | City National Bank & Trust Co.
Kansas City, Mo. | R. S. Dickson & Company
Incorporated | Fitzpatrick, Sullivan & Co. | Goodbody & Co. Hirsch & Co. The Illinois Company
Incorporated |
| The Marine Trust Company
of Western New York | Spencer Trask & Co. | Stern Brothers & Co. | Estabrook & Co. | Kean, Taylor & Co. Tucker, Anthony & R. L. Day |
| Federation Bank and Trust Company | Robert Garrett & Sons | Geo. B. Gibbons & Company
Incorporated | Baker, Watts & Co. | C. F. Childs and Company
Inc. |
| The Franklin National Bank
of Long Island | Rand & Co. | Granbery, Marache & Co. | J. S. Strauss & Co. | Robert W. Baird & Co.
Incorporated |
| King, Quirk & Co.
Incorporated | Reinholdt & Gardner | Second District Securities Co., Inc. | Tripp & Co., Inc. | |

June 18, 1962.

Statements herein, while not guaranteed, are based upon information which we believe to be reliable.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Business Capital Expenditure Plans—Survey—Shearson, Ham-mill & Co., 14 Wall Street, New York 5, N. Y.

Canadian Dollar Discount and its effect on producing gold—Memo-randum—Hector M. Chisholm & Co., Limited, 82 Richmond Street, West, Toronto 1, Ont., Canada.

Changing Evaluators—Market survey including data on 25 issues which appear interesting—E. F. Hutton & Company, 1 Chase Manhattan Plaza, New York 5, N. Y.

Convertible Preferreds—Review of issues which appear attractive—Hemphill, Noyes & Co., 8 Han-over Street, New York 4, N. Y.

Federal Housing Administration Debentures—Bulletin—New York Hanseatic Corp., 120 Broadway, New York 5, N. Y.

Growth Stocks At Fair Prices—Report—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available is a report on **Railroad Stocks**.

International Enterprise—A new dimension of American Business—Brochure discussing organization of international companies, development of strategies for international growth and expansion of American corporations abroad—McKinsey & Company, Inc., 270 Park Avenue, New York 17, N. Y.

Japanese Bank Stocks—Review—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available is a discussion of **Nippon Columbia Co. Ltd.**

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

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

Market—Discussion—C. F. Childs and Company, Inc., 141 West Jackson Boulevard, Chicago 4, Ill.

Municipal Bonds—Their place in Life Insurance Company Port-folios—Bulletin—Investment Bankers Association of America 425 Thirteenth Street, N. W., Washington 4, D. C.

Natural Gas Pipeline Stocks—Analysis—First California Com-pany, Inc., 300 Montgomery Street, San Francisco 20, Calif. Also

available is an analysis of **Becton, Dickinson & Co.**

New Look at Values—Discussion of issues which appear interesting at current levels—McCarley & Co. Incorporated, 35 Page Avenue, Asheville, N. C.

Oil Stocks—Review—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available are reviews of **Torrington Co.** and **Pioneer Finance Company**.

Over-the-Counter Index—Folder showing an up-to-date compar-ison 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.

Portfolios for Varying Investment Objectives—Brochure—Butler, Herrick & Marshall, 76-11 Thirty-seventh Avenue, Jackson Heights 72, N. Y.

Securities Review—Bulletin with particular reference to **Champion Spark Plug, Distillers Corpora-tion-Seagrams Ltd., First National Stores, Martin Marietta Corp., Metro - Goldwyn - Mayer and Suburban Propane Gas Corp.**—Orvis Brothers & Co., 15 Broad Street, New York 5, N. Y.

Securities of the United States Government—20th edition—a comprehensive 156 page handbook designed for the use of invest-ment officers and others inter-ested in securities of the U. S. Government, Governmental Credit Agencies, International Bank for Reconstruction and Development—First Boston Corporation, 20 Exchange Place, New York 5, N. Y.

Selected Stocks—List of issues which appear interesting—G. A. Saxton & Co., Inc., 52 Wall Street, New York 5, N. Y.

Yield—Bulletin on issues which offer attractive yields—Dean Witter & Co., 45 Montgomery St., San Francisco 6, Calif.

American Express Co.—Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y.

American Radiator & Standard Sanitary Corp.—Analysis—East-man Dillon, Union Securities &

Co., 15 Broad Street, New York 5, N. Y. Also available is an analysis of **Home Insurance Company of New York**.

American Viscose—Memorandum—Sprayregen, Haft & Co., 26 Broadway, New York 4, N. Y.

Arkansas Western Gas—Analysis—Parker, Ford & Co., Inc., Vaughn Building, Dallas 1, Texas.

Also available are memoranda on **Southland Life Insurance Co.** and **Southwestern Life Insurance** and an analysis of **Neiman Marcus**.

Associated Truck Lines—Detailed Analysis—Moreland & Co., Penob-scot Building, Detroit 26, Mich.

Babcock & Wilcox—Bulletin—Carreau & Company, 115 Broad-way, New York 6, N. Y.

Central Louisiana Electric Co., Inc.—Analysis—Howard, Weil, Labouisse Friedrichs and Com-pany, 211 Carondelet Street, New Orleans 12, La. Also available are analyses of **Diamond Crystal Salt Company, Kalvar Corporation, Mayfair Industries, Inc., National Bagasse Products Corporation, and P. & H. Tube Corp.**

Clark Equipment Company—Analysis—A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill. Also available are analyses of **First National Bank of Chicago, Pacific Power & Light Company, and Marlin-Rockwell Corp.**

Collins & Aiken Corporation—Analysis—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y.

Commonwealth Edison—Memo-randum—Goodbody & Co., 2 Broadway, New York 5, N. Y.

Consolidated Mining and Smelting Company of Canada—Analysis—Royal Securities Corporation Ltd., 244 St. James Street, West, Montreal, Que., Canada. Also available are analyses of **Algoma Steel Corporation, Industrial Ac-ceptance Corporation, Noranda Mines, Ltd. and Northern Tele-phone Limited**.

Consolidated Oil & Gas Inc.—Memorandum—Monroe B. Scharff & Co., 40 East 49th Street, New York 17, N. Y.

Estro Municipal Improvement District—Information on tax free bonds yielding 5.50%—Grande & Co., Inc., Dept. CFC, Hoge Bldg., Seattle 4, Wash.

Ex-Cell-O Corp.—Memorandum—Baker, Simonds & Co., Inc., 151 West Congress Street, Detroit 26, Mich.

Fairchild Camera & Instrument—Comment—Courts & Co., 11 Marietta Street, N. W. Atlanta 1, Ga. Also available are data on **Interchemical Corp. and Gulf Oil Corp.**

Fairchild Camera and Instruments—Analysis—John Schuss & Co., 67 Broad Street, New York 4, N. Y.

Falconbridge Nickel Mines Limited—Analysis—Greenshields & Co., Inc., 64 Wall Street, New York 5, N. Y.

First National Stores—Report—Hardy & Co., 25 Broad Street, New York 4, N. Y.

First Surety Corp.—Analysis—Dempsey-Tegeler & Co., Inc., 1000 Locust Street, St. Louis 1, Mo.

Florida Distributing & Manufac-turing Co.—Memorandum—Mid-land Securities Co., 15 West 10th Street, Kansas City 5, Mo.

Alex Forst & Sons Inc.—Bulletin—DeMott Associates, 600 Old Country Road, Garden City, N. Y.

Ft. Worth Steel & Machinery—Memorandum—Cantor, Fitzgerald & Co., Inc., 232 North Canon Drive, Beverly Hills, Calif.

Franklin Life Insurance—Memo-randum—Sutro & Co., 9804 Wil-shire Boulevard, Beverly Hills, Calif.

Franklin Realty—Memorandum—The Milwaukee Company, 207 East Michigan Street, Milwaukee 2, Wis. Also available is a memo-randum of **National Realty Investors**.

Friden—Memorandum—Irving Lundborg & Co., 310 Sansome St., San Francisco 4, Calif.

General American Transportation—Memorandum—Sincere and Company, 208 South La Salle St., Chicago 4, Ill.

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

Greyhound Corp.—Memorandum—Blair & Co. Incorporated, 20 Broad Street, New York 5, N. Y. Also available are memoranda on **North American Car and Warner-Lambert**.

Gulf Oil—Memorandum—Per-shing & Co., 120 Broadway, New York 5, N. Y. Also available is a memorandum on **American Cyanamid**.

Gyrodyne Company of America—Bulletin—De Witt Conklin Or-ganization, Inc., 120 Broadway, New York 5, N. Y. Also available is a bulletin on **Morrison Knudsen Company**.

Huyck Corporation—Analysis—Adams & Peck, 120 Broadway, New York 5, N. Y. Also available are analyses of **Stein Hall & Co. Inc., Swank Inc. and Talley Industries Inc.**

International Business Machines—Analysis—Colby & Company, Inc., 85 State Street, Boston 9, Mass. Also available is a discussion of **Polaroid**.

Lincoln American Life Insurance—Memorandum—Berry, Douglas & Fitzhugh, Inc., Stahlman Bldg., Nashville 3, Tenn.

Litton Industries—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y. Also available is a review of **Xerox Corp.**

Lynch Communication Systems Inc. Analysis—P. W. Brooks & Co., Incorporated, 120 Broadway, New York 5, N. Y. Also available are reports on **Renaire Foods, Inc. and Rexach Construction Company**.

Markite Corporation—Analysis—Bell & Farrell Inc., 119 Monona Avenue, Madison 3, Wis.

May Department Stores—Bulletin—Fahnestock & Co., 65 Broadway, New York 6, N. Y. Also available is a report on **Fruehauf Trailer**.

Metromedia—Memorandum—Ed-wards & Hanly, 100 North Frank-lin Street, Hempstead, N. Y.

E. R. Moore Company—Analysis—A. G. Becker & Co. Incorporated, 60 Broadway, New York 4, N. Y.

Mother's Cookie Co.—Memoran-dum—J. J. B. Hilliard & Son, 419 West Jefferson Street, Louisville 2, Ky.

National Old Line Insurance Com-pany—Report—Trulock & Com-pany Incorporated, 213 West Fourth Street, Little Rock, Ark.

Neiman Marcus—Analysis—Bir-r & Co., Inc., 155 Sansome Street, San Francisco 4, Calif.

Pako—Memorandum—Irving J. Rice & Company Incorporated, Pioneer Building, St. Paul 1, Minn.

Pan American World Airways—Memorandum—Abraham & Co., 120 Broadway, New York 5, N. Y.

Rhine-Westphalia Electric Power Corporation—Analysis—Bear, Stearns & Co., 1 Wall Street, New York 5, N. Y.

Rochester Capital Leasing—Memorandum—Saunders, Stiver & Co., Terminal Tower Building, Cleveland 13, Ohio.

Royal Bank of Canada—Report—Equitable Brokers Limited, 60 Yonge Street, Toronto 1, Ont., Canada. Also available is a report on **MacMillan, Bloedel and Powell River Ltd.**

Security Life Insurance—Memo-randum—Johnson, Lane, Space & Co., Columbus Bank & Trust Co. Building, Columbus, Ga.

Solite Products Corp.—Memo-randum—William David & Motti, Inc., 50 Broadway, New York 4, N. Y.

Standard & Poor's Corp.—Memo-randum—Stern, Frank, Meyer &

Fox, Union Bank Building, Los Angeles 14, Calif.

Stone & Webster—Memorandum—E. F. Hutton & Company, 7616 Girard Avenue La Jolla, Calif. **Suburban Propane Gas Corp.**—Bulletin—Ross, Lyon & Co. Inc., 41 East 42nd Street, New York 17, N. Y.

Super Valu Stores—Memorandum—J. M. Dain & Co., Inc., 110 So. Sixth Street, Minneapolis 2, Minn. **Tennessee Gas Transmission**—Analysis—Edward D. Jones & Co., 300 North Fourth Street, St. Louis 2, Mo.

Thomas & Betts—Analysis—J. A. Hogle & Co., 40 Wall Street, New York 5, N. Y.

Unilever Group—Report—Carl M. Loeb, Rhoades & Co., 42 Wall St., New York 5, N. Y. Also available are data on **Anheuser Busch, Hammermill Paper Company, In-spiration Consolidated Copper Company and Lane Bryant Inc.**

United Artists—Bulletin—New-burger & Company, 1401 Walnut Street, Philadelphia 2, Pa.

Vangas Incorporated—Report—Rutner, Jackson & Gray, Inc., 811 West Seventh Street, Los Angeles 17, Calif.

Harry Frank Forms Co.

Harry Frank has formed Harry Frank & Co. with offices at 42 Broadway, New York City, to en-gage in a securities business. Mr. Frank was formerly President and Treasurer of Frank Investors Corp.

Hansen Opens Branch

SAN FRANCISCO, Calif.—James M. Hansen & Co. has opened a branch office at 400 Montgomery Street, under the direction of J. Pierce Gannon, Jr.

Opens Branch Office

MONROE, Mich.—Renshaw, McKeown & Young, Inc. have opened a branch office at 210 North Mon-roe Street, under the direction of Alexander Dempster.

Rappaport Opens Office

Albert I. Rappaport is conducting a securities business from offices at 527 Madison Avenue, New York City.

Ritchko Opens Office

ONEONTA, N. Y.—Fred Ritchko is engaging in a securities business from offices at 24 Gault Avenue.

Form Tower Brokerage

Tower Brokerage Co. has been formed with offices at 15 Park Row, New York City, to engage in a securities business. Partners are Morton Greenberg and Herbert W. Greenberg.

Forms Cosmos Inv. Co.

LONG ISLAND CITY, N. Y.—Elias G. Kontanis is engaging in a securities business from offices at 40-27 Twenty-ninth St. under the firm name of Cosmos Invest-ment Co.

Epic Planning Formed

VALLEY STREAM, N. Y.—Epic Planning Corporation is engaging in a securities business from offices at 38 Todd Road.

Family Programs Formed

Family Programs, Inc. has been formed with offices at 333 Seventh Avenue, New York City, to engage in a securities business.

Form Jerome-Richard Co.

Jerome-Richard Co. has been formed with offices at 50 Broad-way, New York City, to engage in a securities business. Partners are Richard Venticinque and Jerome P. Perlongo.

For banks, brokers and financial institutions

SONY CORP. ADR'S

TOKYO SHIBAURA ELECTRIC CO., LTD. ADR'S
(TOSHIBA)

Primary Markets

Troster, Singer & Co.

Members New York Security Dealers Association

74 Trinity Place, New York 6, N. Y.

HANover 2-2400

Teletype NY 1-376; 377; 378

"Deflationary Inflation" Is No Idle Contradiction

By Paul Einzig

Dr. Einzig describes the paradoxical phenomenon of "deflationary inflation"—wherein wage inflation induces a flight into savings instead of into a consumer spending boom—and forebodingly warns it will inexorably bring on the pre-war business cycle. He strongly reproaches labor for its one-way "unearned" wage increase, whether business is booming or declining, at the expense of fixed income recipients, and profits and dividends. Dr. Einzig would like to see an all-around cut in wages to wipe out excess paid in the past year or two, and a corresponding increase in old age pensions and tax concessions to those who suffered from purchasing power loss. Unless labor voluntarily learns its lesson, the writer concludes, it will learn it involuntarily in the form of disastrous unemployment.

LONDON, Eng. — "Deflationary inflation"? What an absurd self-contradiction! Yet that is precisely what is happening in Britain and, presumably, also in the United States and other industrial countries. It had happened on previous occasions. For instance when shortly before the war the Socialist Government of M. Blum assumed office in France, its advent was followed by a wave of steep wage increases. In spite of this the atmosphere was distinctly deflationary because the wage inflation inspired distrust amidst which much of the increased consumer purchasing power was saved instead of being spent, and investment demand for capital equipment declined.

This is exactly what is going on in our days. The policy of wage restraint in Britain is crumbling, and excessive wage increases are conceded week after week. Notwithstanding this, there is no sign of any boom in consumer demand. Recipients of higher wages save the surplus, and more than the surplus, because of an uneasy feeling that in the circumstances full employment may not go on forever, or because they anticipate strikes resulting from a stiffening resistance to wage demands.

Lack of Adequate Data

The published figures of small savings do not properly indicate the increase of savings, because a large part assumes forms for which no statistics exist. The statistics only cover savings banks and certain types of Government securities specially issued for small savers. The decline of outstanding instalment buying debts is a form of saving. But there are no figures for bank balances and deposits owned by members of the lower income groups, yet such savings must have increased lately quite appreciably. Moreover, the total of small shareholders, too, must have increased in recent years.

One of the causes of this trend is the growing inequality of incomes among the lower income groups. Active workers have succeeded in obtaining substantial increases in their real incomes at the expense of old age pensioners and other recipients of fixed incomes whose purchasing power has become reduced as a result of the increase in the cost of living.

This change in the redistribution of purchasing power has necessarily produced a deflationary effect, through the operation of the Keynesian rule that a larger proportion of the higher incomes is saved and a smaller proportion is spent. The curtailment of the pensioners' purchases was not offset by a corresponding increase in the demand by wage earners. Likewise, the decline of real earnings of members of occupations with an unfavorable bargaining position more than offset the effect of wage plunders by the strong unions on the volume of consumer demand. In any case, most wage-earners belonging to the latter category have already bought their television sets, automobiles and electric washing ma-

chines, so that they have reached the stage at which a further increase of their wages induces them to save rather than spend.

Other Repercussions

The wage increases have resulted in a sharp contraction of profit margins, which is causing cuts in dividends, and capital gains on Stock Exchange transactions have been replaced by substantial capital losses. The result is a fall in demand for luxuries and this is bound to have repercussions far beyond the circle of those directly concerned.

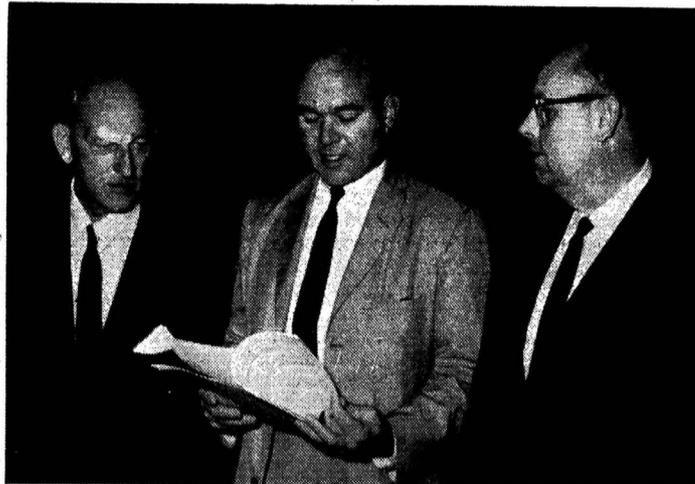
The worst of it all is that the reversal of the trend has failed to bring the trade unions to their senses. They press their excessive wage claims as if industry were still booming. Indeed their demands are reinforced by the phony argument that wage increases would reverse the defla-

tionary trend. Nothing could be further from the truth. Wage increases, by further cutting into profit margins, would further discourage capital expenditure and would further reduce demand for capital goods and for luxuries. They would further accentuate the deflationary atmosphere of uncertainty.

What is needed is an all-round cut in wages, to wipe out the unearned increases of the last year or two. In order to prevent this from producing a deflationary effect, there should be a corresponding increase in old age pensions and tax concessions to classes whose purchasing power has suffered as a result of the rise in the cost of living. Unfortunately the trend of wages is a one-way street. They rise when industry is booming, but they also rise when industry is depressed. Indeed the sharp fall in profits and dividends and the prospects of further falls have not even prevented the unions from stepping up their demands for higher and still higher unearned wages.

Unless the trade unions are prepared to change their attitude in time, nothing could prevent a business cycle of the pre-war type from taking its course. The development of large-scale unemployment would then bring the wage plunder to an end, and after some very painful adjustments, industry would be able to make a fresh start from a much lower level. Everybody concerned would have to pay a very high price for such a lesson. But it seems nothing short of such disaster would teach the trade unions their much-needed lesson in elementary good sense.

At Senate Hearing



WASHINGTON, D. C. — Another major step toward legislative uniformity was taken when Francis J. Hughes (center), general counsel of the Association of Stock Exchange Firms, and several other witnesses appeared before the Senate District Committee June 14. With Mr. Hughes are Robert F. Klepinger (left) and Robert W. Barker, representing the District of Columbia Bar Association. They testified in favor of S. 3146, Senator Bible's bill to broaden the existing District Law, to permit gifts of money to minors for investment and make it uniform with similar laws in other jurisdictions.

Inv. Planning Branch

A new office in New York City, at 40 Exchange Place, for Investment Planning Group of 19 South Harrison Street, East Orange, is announced by Morton Feren, Pres. Elliott Goldsmith is assigned as manager to develop a new staff and sales force.

Patashnick Incorporates

NORTH ADAMS, Mass. — Hy Patashnick, Inc. has been formed to continue the Investment business of Hy Patashnick, 20 State Street. Officers are Sidney Patashnick, President; Abraham Patashnick, Clerk; and Hyman S. Patashnick, Treasurer.

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

\$100,000,000

Consolidated Edison Company of New York, Inc.

First and Refunding Mortgage Bonds, 4 3/8% Series V, due June 1, 1992

Dated June 1, 1962

Due June 1, 1992

Interest payable June 1 and December 1 in New York, N. Y.

Price 101.937% and Accrued Interest

Copies of the Prospectus may be obtained in any State from only such of the undersigned as may legally offer these Bonds in compliance with the securities laws of such State.

MORGAN STANLEY & CO.

BLYTH & CO., INC. EASTMAN DILLON, UNION SECURITIES & CO. GLORE, FORGAN & CO.

GOLDMAN, SACHS & CO. HARRIMAN RIPLEY & CO. LEHMAN BROTHERS

SALOMON BROTHERS & HUTZLER SMITH, BARNEY & CO.

STONE & WEBSTER SECURITIES CORPORATION WHITE, WELD & CO. DEAN WITTER & CO.

June 20, 1962.

Let's Stop Retreating From Realities of Our Problems

By William McChesney Martin, Jr.,* Chairman,
Board of Governors of the Federal Reserve System,
Washington, D. C.

Chairman Martin attempts to educate those who fail to face the reality of the indissolubly wedded life of business and government, and of the fact that the Fed does not have a magical wand to solve all our economic problems. He warns that government is deeply involved in the economy's conduct, and that an accommodation between business and government must be reached if the economy is not to be torn apart and irreparable damage inflicted. The Chairman points out, however, that "involvement is not the same as absorption" and suggests where the beginning of the dividing line may be found. As for the erroneous notions about the Fed, Mr. Martin holds that a cut in stock margins would hurt rather than help the market, and that a wider flow of credit would not produce all the goods and services we need and, perhaps, add more gold to Fort Knox.

It is courageous of Harvard, if not downright foolhardy, to give this chance to an alumnus of Yale to tell Harvard men what they can do—for their country, of course.

In the circumstances, there are temptations. But they conflict with the suggestion that I should like to offer: that all of us adults, all over America, have a commencement of our own and declare a moratorium on childish ways.

One remarkable example of present day immaturity appeared in the press at the time of the recent stock market plunge, when one desperate soul was quoted as saying: "The only thing that can save us now is Washington."

But the press and the air have been equally replete with another example, now familiar to all. The quotation in this case takes this form: "Someone, somewhere and somehow, must save us from Washington."

That sort of thing might be all very well in a spirit of good clean fun, but the truth is, it is being said by adults, and in all seriousness. Well, I don't know how silly we can get, but I suspect we are doing our bickering best. Worse still, the recent outbreak of guerrilla sniping is threatening to turn into an uncivil war, with business, the Government, and at least one of the professions all caught up in one gigantic affray.

This, I submit, is a rather curious approach to the settlement of our problems and one unlikely to lead to any destination befitting a

democracy. As President Woodrow Wilson once warned, "We claim to be the greatest democratic people in the world, and democracy means first of all that we can govern ourselves. If our men have not self-control, then they are not capable of that great thing which we call democratic government."

Talking More and Thinking Less

The trouble, of course, is that we are talking more, and thinking less. In consequence, we are becoming more assertive and less reflective, more personal and less rational, more irritable and less understanding. And in the process we are retreating from the realities of our problems instead of facing them in dignity, as becomes free men in a self-governing land.

Now prudence impels me, in this assemblage, to steer clear of the celestial heights and confine myself to the earthy fields of business and government. For even in these, as you will see, I have more questions than answers, and more problems than solutions.

One of the often ignored realities about business and government is that theirs is an indissolubly wedded life, although it is not always, and certainly not now, marked by marital bliss. Nor will it become more so if either partner fails to respect the responsibilities and rights of the other. Of course there can be difficulties even in this. As one writer recently observed, "The trouble with the mixed economy . . . is that everybody's responsibility gets mixed with everybody else's. U. S. Steel is telling us what's best for 'the strength and security of the nation'—and the President is telling us what's the right price for a ton of steel."

Be that as it may, the Government is deeply involved in the conduct of the economy, and it could not extricate itself alto-

gether, even if it were minded to do so. That involvement is in part due to wars, both hot and cold, and in part due to the evolution of a society where mass population alone accounts for regulatory requirements undreamed of in Thomas Jefferson's day. For better or for worse, and for richer or poorer, that involvement is going to continue. But involvement is not the same as absorption.

Obviously, an accommodation between the partners to this union must be reached if the entire household is not to be torn apart and irreparable damage inflicted on the entire family, and all of its friends as well.

Finding the Dividing Line

I am not wise enough to know where the lines of a practical and enduring accommodation will be found, nor foolish enough to try to draw them here. But I am bold enough to suggest that the beginning point is one established by the ancient Greeks centuries ago as the foundation of civilization as we know it.

In a play written by Aeschylus to celebrate the defeat of the Persians at Salamis, some lines are devoted to the difference between the Greek and the Oriental ways of life. The Greeks fight as free men to defend what is precious to them, the Persian Queen is told, "Have they no masters?" she asks. "No," she is told. "No man calls Greeks slaves or vassals." And Herodotus adds: "They obey only the law."

That, it seems to me, is applicable today to men in government and business alike. The law has its mandates as well as its prohibitions.

Amid all the publicity given to proposals to stimulate the economy, and all the attention lavished on the market's decline, it is easy to forget that the American economy today is at the highest level in our history, and it is still moving up. The totals of employment, individual incomes, and corporate profits are at historic peaks, as is the cost of living. Yet, too many people are still unemployed, too much of our business structure is still operating below most efficient levels, and our growing population needs more job and business opportunities.

Growth has now become the focal point of attention in economic affairs, because, if we can increase the size of the pie speedily and steadily enough, everyone can have a slice or a still larger slice, and none will have to yield any of his present share to his neighbors. That, incidentally, is quite a target for economics, which till now has aimed at little more than the allocation of scarce resources.

The American economy's rate of growth in the postwar years has in fact been above the historical average. In recent years, however, the rate of growth has fallen below that of the more immediate postwar years, and also below the growth rates recorded in other industrial countries. Acceleration is therefore deemed feasible, and much attention is accordingly being devoted to bringing it about. That is as it should be. For, in the establishment of business schools at Harvard and elsewhere, we have long shown recognition that the business process is a rational process, not a mystical or magic one, and we have indicated our faith that men can master and improve it by the exercise of reason, sharpened and clarified by the discipline of objective study.

Few needs could be so pressing at this time as that for rational economic thought. Underscoring that need are such ideas as "only Washington can save us," on the one side, and "someone must save us from Washington," on the other.

Fed Is No Miracle-Maker

But there are other examples of that need. One is a notion, re-

currently advanced, that if the Federal Reserve were merely to wave the wands of monetary policy, we could have more new homes, more rapid construction of vitally needed schools, hospitals, and other community facilities, more new automobiles, more new highways to relieve the traffic jams we have already, and perhaps more gold in Fort Knox too.

Well, it would certainly be a fine world indeed if, by merely opening wider the spigot of credit, the Federal Reserve could increase the flow of goods and services sufficiently to meet at once all human wants. If the Federal Reserve possessed such magic, I assure you we would use it. But of course there is no such magic, and all of us will be better off if we do not act as if there were.

Unfortunately, the demand for magical solutions continues, endless and unlimited. Recently, at the very moment some people were rushing headlong to sell stocks, the Federal Reserve was urgently advised by telegraph to make it easier for others to buy stocks on credit, and thus to "save the country from doom." More concretely, it was also proposed that we set a standard ratio of prices to earnings that would fix the price of every corporate stock!

Opposes Lower Stock Margins

In these proposals, insufficient weight seems to have been given to these considerations: (1) that credit powers were being invoked to cure a price drop that did not stem from credit causes; (2) that using those powers at that moment—and in those circumstances—was more likely to intensify rather than to relieve the excitement; and (3) that using them as suggested would have meant bending to a totally different purpose a legal authority granted to prevent the excessive use of credit in stock market transactions.

Is it too difficult to understand that the market for securities is a continuing auction where prices are determined by millions of free people, living in all parts of our country, offering to buy or sell in accordance with their own individual judgments as to their individual needs, wants and abilities? Does anyone really want to change this process, or the like processes of free and open markets—for food, for shelter, for clothing and the rest—on which our entire economic system has been built?

Does anyone seriously believe that Americans individually, or as a whole, would be better off, either in terms of living standards or of freedom, if these decisions were centered at one point, and in a few minds, instead of being left to individual judgments over the country at large?

Neither the people nor the Government of the United States have thought so, thus far, and I am convinced they are not going to do so. For one thing, they prize liberty too much for that. For another, they are too aware that the mistakes individuals make in their own affairs may offset one another, but mistakes by wielders of centralized controls are likely to be aggregative and may be disastrous. As has been noted, Nazi Germany was so well organized that it could make only major blunders.

Foreign Exchange Operations Give Time, Not a Cure

In entering this year into operations in foreign exchange designed to protect the dollar against speculative forays, the Federal Reserve may, I fear, have opened itself to requests at some point that it bring off international as well as domestic miracles.

These foreign exchange operations, of course, cannot do more than help to give us added time to overcome the basic causes of our adverse balance of payments, which lie much deeper. They cannot cure those basic causes, nor

can they serve as a substitute for the will and determination we shall need to take truly curative actions. They cannot conceivably furnish a quick, easy, painless solution to a hard, stubborn and painful problem. But some, I am sure, will expect them to do just that.

A short time ago, a wise and experienced European statesman remarked in my presence that there is great need in the world today for the qualities of courage, patience and faith. In dealing with the hard problems of our times, I think we shall indeed have need of courage, patience and faith, as we shall have need also of the spirit of ceaseless, purposeful inquiry that has marked this great University for three and a quarter centuries.

Praise Dr. Walter Hallstein

At this point, I should like to pay a tribute to Dr. Walter Hallstein, who is with us here today. In his service as President of the European Economic Community, he has combined intelligent planning with courage, patience and faith to achieve freer markets and greater productivity and efficiency. We all wish him and the Common Market continued success.

In our country, the responsibility of the government—and it is a responsibility in which the Federal Reserve shares—is to foster a climate of opportunity that will encourage our people to apply their enterprise and ingenuity in bettering the lot of themselves, their families and their communities, and thus promote the general welfare of the country as a whole.

Within that democratically established framework, it is the responsibility of the individual—and equally so the business firm—to apply his talents and energy freely and fully to the work before him. Thus he can fulfill his potential and, in so doing, contribute to the advance of his country.

We are a republic, a constitutional democracy in which the general welfare is expressed in political procedures, forms, and institutions. At the center of our way of life is the market place, knitting together individual freedom and material progress. I have a deep and abiding faith that the foundation on which our American economy rests is firm and sure.

But much remains to be done, and there is a part in it for all. Let us accept it as necessary and desirable that human activity is diverse, that there is need for the efforts of each of us. And let us proceed in peace to the execution of our separate tasks.

*An address by Mr. Martin before the Harvard Alumni Association, Cambridge, Mass., June 14, 1962.

Mason Bros. Adds

(Special to THE FINANCIAL CHRONICLE)
OAKLAND, Calif.—Douglas Garrett has been added to the staff of Mason Brothers, First Western Building, member of the Pacific Coast Stock Exchange. He was formerly with Sellgren, Miller & Co., Inc.

Named Director

Allan Hoover, Greenwich, Conn., formerly associated with the investment banking firm of Lazard Freres & Co., and for 17 years President of Compania Minera de Guatemala, S.A., has been elected a director of New York & Honduras Rosario Mining Company, it has been announced.

G. D. Harris Forms Co.

ROME, N. Y.—George D. Harris is conducting a securities business from offices at 129 Glen Road South under the firm name of Harris & Co. Mr. Harris was formerly President of Central New York Investing Corp. of Utica and prior thereto was with Hagan Investing Corp.



W. McC. Martin, Jr.

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The Short-Term Outlook For Retailing Industry

By Robert E. Brooker,* President, Montgomery Ward & Co.

National retailing head takes a moderately optimistic view toward consumer expenditure prospects after surveying and comparing the economic evidence. Turning to developments within retailing, he warns of the imperative need for increased merchandising productivity. Discussion touches on the increasingly competitive nature of the retail business in the form of new and modernized plant; the rapid shift to suburban areas and adjustment of the downtown shopping area to the shift; the increasing cost of doing business at a time when lower cost forms of retailing are gaining strength; and the relative constancy of selling prices in the face of increasing costs.

The economic outlook for the remainder of 1962 is moderately optimistic. We expect the expansion phase of the current general business cycle to run into the second quarter of 1963. Since we are in the 15th month of the current expansion, or about midway by usual standards, the outlook for retail sales is quite good.



Robert E. Brooker

There is a note of caution. In the last business cycle (1958-61) the expansion phase of the retail sales curve was only 25 months; in the 1954-57 cycle the expansion continued for 42 months. The turning point into the expansion phase of the current retail sales cycle came in January, 1961, and we are therefore in the 16th month of the expansion phase. If there is tendency for the cycle to shorten, this would indicate a possible peaking of the retail sales curve in December, 1962, or January, 1963. A weakening of durable goods sales in the 4th quarter of 1962 might influence this.

Selected indicators which are important to the retail business are climbing at a healthy pace. Average hours work per week, after a slight dip in December, 1961, and January, 1962, are again climbing. The index of weekly payrolls for production workers followed the same pattern. Average gross earnings, seasonally adjusted, had a slight dip in January, 1962, but are now continuing upward. Softness exists in some areas, mainly in new orders for durables and for machinery and equipment, and lower stock prices may affect consumer confidence.

Retail sales were up 9% in April. Non-durable goods are approximately 5% above the corresponding month in 1961, and durable goods are up 17%. So far this year, department store sales are 6% ahead of 1961.

Consumer Durable and Non-Durable Sales

Personal consumption expenditures, a somewhat more steady series, has been on the rise since the first quarter of 1961. The percent of the labor force currently unemployed, while still high, has been reduced each month since September, 1961.

A moderately optimistic balance of 1962 should result in an advance in disposable income of 7.75% to reach \$393 billion in 1962. Personal consumption expenditures should reach \$365 billion for 1962 (up nearly 8% over 1961) while remaining at about 65% of GNP, or 93% of disposable income. Our type of business expects personal consumption expenditures of \$102 billion in our goods.

Consumption expenditures for durable goods in 1962 should be about \$46 billion, up 8.5%, while non-durable goods expenditures

should narrow. The consumer is not so optimistic as to overextend his level of debt. This is another reason why we take a moderate view toward consumer expenditures.

Increased Retailing Competition

Now let's turn our attention from the general economy to what has been going on within the retail industry. One of the outstanding features has been the increasingly competitive nature of the business in the form of new and modernized plant; for example: In Dallas, one of the nation's most publicized growth markets, there were 1.25 million square feet of major department store sales area in 1958, or about 1.5 square feet per person for the metropolitan area population. 700,000 square feet of this space was downtown. In the next four years, an additional 750,000 square feet of department store and discount sales footage had been built in the suburbs and one downtown store had been closed. The ratio of footage to the population increased to 1.9 in 1962, and plans have been announced for at least an additional 250,000 square feet of suburban department store space, plus the relocation of one downtown department store into a new, better located and more efficient plant within the Central Business District.

This example illustrates the rapid shift of the department stores to suburban locations, and the adjustment of downtown shopping areas to this shift. In the Dallas case the downtown stores are remaining and the suburban footage is a large net increase. Third is the adjustment of footage to population, plus the increased efficiency of the new

footage, where new fixtures allow increased display of merchandise per cubic foot, which tends to make the total competitive situation more acute than the simple measurement of square footage indicates.

Decreasing and Increasing Costs

From the profit side, in addition to the competitive sales forces prevailing in the retail industry, there is the factor of the increasing cost of doing business at a time when lower cost forms of retailing are gaining strength. In the area of taxes (excluding the Federal income tax) the outlay relative to sales has increased about 30% over the last five years. In payroll taxes, under existing laws, we can already foresee (assuming a constant payroll level) an increase of about 25% from 1961 to 1963. Over the last five years, real estate taxes related to sales have increased about 50%.

Shifting to advertising costs, here too we have had increases at very rapid rates. Newspaper display rates over the last five years have increased at 3% to 3½% per year. TV time costs are increasing at about 10% per year.

It isn't necessary to remind anyone in the retail industry that while our costs of doing business have been increasing, the selling price changes have been relatively small. The annual increase in the Consumer Price Index for non-durable items, excluding food, have averaged slightly over 1% per year, whereas the Consumer Price Index for all items excluding food (but including services, rents, medical care, etc.) has averaged slightly over 2% per year in the last five years. The increasingly competitive environ-

ment in which retailing is operating has given rise to a number of efforts to increase efficiency.

Since prices are expected to remain stable and there are elements of our costs which are beyond our control, such as I have mentioned, we must improve the efficiencies of retail distribution in total or expect lower profit margins. The need for increased merchandising productivity is imperative and provides the challenge to the retailing industry.

*Remarks of Mr. Brooker before the National Industrial Conference Board, New York City.

Fidelity Phila. Municipal Div.

PHILADELPHIA, Pa. — Fidelity Philadelphia Trust Company, Broad and Walnut Streets, has announced the opening of a municipal bond division, under the direction of T. Anthony Coculo.

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(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Ore.—Philip F. Wax is now with Walston & Co., Inc., 901 Southwest Washington St.

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LOS ANGELES, Calif.—Donald T. Brock has become connected with William R. Staats & Co., 640 South Spring Street, members of the New York and Pacific Coast Stock Exchanges. Mr. Brock was formerly with Dempsey-Tegeler & Co. and Hayden, Stone & Co.

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June 20, 1962.

The Housing Outlook For the Year Ahead

By Dr. Gordon W. McKinley, Vice-President and Chief Economist,
F. W. Dodge Corporation, New York City

Upward forces are found to offset substantially the downward forces in the housing market. Dr. McKinley does not anticipate a boom in 1962, but he does show why he sees a very high 1962 level for residential construction with the housing market progressively improving as the year unfolds. Specifying these observations, Dr. McKinley expects 1,400,000 nonfarm housing starts which exceeds, incidentally, the average postwar year. In dollar terms, he sees more than \$18 billion in residential construction in 1962, or 13% above the 1961 total which, also, exceeds any previous year.

There has probably not been any time during the past 15 years when the experts on the housing outlook have found themselves in so wide a disagreement as at present. The only point on which there does seem to be agreement is that the various signs, measures, and clues in the housing field all point in different directions.



Gordon W. McKinley

In an attempt to gather these conflicting trends into a more understandable and manageable pattern, I will devote my brief discussion to the following three questions: First, what are the principal reasons which have been advanced for expecting a weak housing market during the rest of this year? Second, what evidence is there that housing may strengthen in the months ahead? Third, from an evaluation of the relative impact of these upward and downward forces, what conclusion can be reached about the probable number of housing starts and probable volume of residential construction expenditures during the remainder of 1962?

In considering the elements of weakness in the housing market, the first point to be recognized is that the great postwar housing shortage is over. The two most striking evidences of this fact are (1) the rise in housing vacancies, and (2) the decline in undoubling of families or individuals previously living together.

Rise of a Normal Market

In 1947, there were over three million married couples in the United States without their own household, i.e. these three million couples were living "doubled up" in the same household with some other family — very often with their parents. By 1961, this number had fallen to less than one million. During the same period, there was a net undoubling of about 1.5 million individuals previously living together. This undoubling of families and individuals created an unusual and nonrecurrent demand for 3.5 million housing units during the period 1947-61. Of the total demand for housing, perhaps as much as 250,000 housing units a year was thus accounted for by the spreading out of existing families and individuals into separate quarters. The slowing down and virtual disappearance of undoubling in the past few years is one of the clearest indications that we have caught up with the housing shortage which was the legacy of the depression and war years. At the same time, it is an indication that we cannot rely in the future on the extra demand which undoubling has provided in the past.

Similar evidence of an adequate supply of housing is provided by the rise in vacancy rates since 1950. The rental vacancy rate for

the United States as a whole has risen from 2.6% in 1950 to 7.7% at the end of 1961. The homeowner vacancy rate has risen from 0.9% in 1950 to 1.2% at the end of 1961. It should be emphasized, however, that current vacancy rates are not high by historical standards in the United States. I cite the rise in vacancies simply to indicate that the housing market has moved out of the era of extreme shortage into a more normal buyers' market.

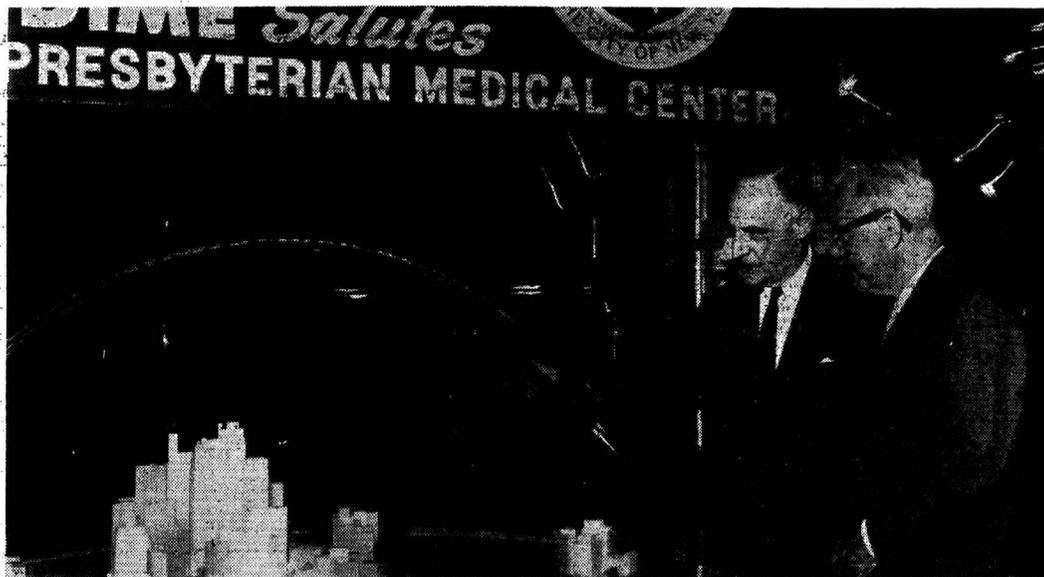
Other Disturbing Signs

In addition to the rise in vacancies and the reduction in the number of "doubled up" families and individuals, there have been a number of lesser, yet nevertheless disturbing, signs in the recent housing market. Prices of used homes have shown signs of weakening for the first time since World War II. Delinquencies and foreclosures, although still very low, are rising. In some few localities the overhang of unsold houses has become sufficiently alarming to lead to a temporary shutdown in new FHA and VA commitments for speculative building. Reports from builders and from real estate boards in many sections of the country lack enthusiasm.

Perhaps most disconcerting of all the signs of weakness has been the 20% drop in the government figures on nonfarm housing starts, from an annual rate of 1,434,000 in October, 1961 to 1,149,000 in February of this year. Although the rate rebounded sharply in March, the preceding four month decline called attention to the fact that following each of the previous postwar recessions — in 1949, 1954, and 1958 — housing spurred far ahead of the rest of the economy during the initial business recovery but reached a peak quite early and thereafter went into a long period of gradual decline even while the rest of the economy continued to advance. In the current cycle, the rapid rise in housing starts to a peak in October, 1961, and the decline thereafter, was sufficiently similar to the pattern in previous cycles to suggest that the trend over the rest of this year might be downward.

Vacancy Rate Has Declined Somewhat

All of the evidence I have cited thus far would seem to lead to the conclusion that the housing market will remain weak in the months ahead. But now let's turn to the other side of the picture. The first point I should like to make is that the disappearance of the great postwar housing shortage is not by any means sufficient by itself to lead to the conclusion that we will have a poor housing year in 1962. The automobile industry many years ago caught up with the war-caused shortage of automobiles, yet in 1962 the industry appears to be well on the way to challenge the all-time sales record set in 1955. Too often, those who are bearish on housing cite evidence which, while it may prove that we are doing a good job in satisfying pent-up demand for housing, does not prove that the current housing outlook is poor.



General Lucius D. Clay, (left) recently returned from a special Presidential assignment in West Berlin, and George C. Johnson, President and Chairman of the Board of The Dime Savings Bank of Brooklyn examine a model of existing and proposed construction at the Presbyterian Medical Center. This is part of the Medical Center's exhibit that is now on display at the main office of "The Dime," Fulton Street and DeKalb Avenue, and will continue through June 29th.

Take the case of vacancies, for example. The general trend in vacancy rates in the United States has been upward ever since 1950, yet this did not prevent us from having a boom year in 1955 and again in 1959. Moreover, few people seem to realize that for the past nine months the vacancy rate for the U. S. as a whole has actually declined somewhat. In other words, demand for housing in recent months has been growing more rapidly than the supply of housing. It is unfortunate that this basic fact has been obscured by the publicity given to a few localized situations where a temporary over-supply has led to sharp cutbacks in residential construction.

Funds Availability At Lower Rates

A second factor which will have a favorable bearing on the volume of housing output in the months ahead is the rather unusual situation in the capital market, and in the residential mortgage market in particular. I referred earlier to the fact that housing has usually reached a peak and begun to decline quite early in the business recovery following each of the postwar recessions. The principal reason for this early downturn of housing has been the rather severe tightening in the mortgage market which occurred in each recovery period. Housing was held down during these business recoveries not only by rising interest rates, but by an actual scarcity of funds. The effect was compounded by the artificial interest rate ceilings imposed by government on FHA and VA mortgages — ceilings which diverted money away from the mortgage market to other capital uses, or (where the funds did remain in the mortgage market) forced the builder to pay a heavy discount in order to bring the artificial rate into line with true market yields.

The present capital market situation, however, is entirely unlike that during previous business recovery periods. Interest rates in general have risen very little from the low point of the recession. Mortgage loan rates are lower today than a year ago. There is no scarcity of capital funds and mortgage lenders are competing fiercely for available loans. Looking ahead over the rest of this year, it seems to me probable that the general structure of interest rates is likely to rise very slightly between now and the end of the year, but that mortgage loan rates will probably remain

at about the present level. There will continue to be a large volume of lendable funds. Mortgage funds in particular will be in ample supply both because of rapid growth of the traditional sources such as savings and loan associations and life insurance companies and because of additional funds moving toward the mortgage market from commercial banks, pension funds, and even from labor unions. Housing in 1962 will therefore not be held back by a scarcity of funds, as was the case in some previous years.

Improving Business in Second Half

A third factor contributing to a stronger housing market will be the growth in employment and incomes which is likely to take place in the months ahead. After a rather slow start in the first half of the year, I expect gross national product to move ahead quite rapidly in the last six months, to reach an annual rate of about \$580 billion in the final quarter. An advance of this magnitude will still not give us a fully employed economy, but it will mean a very substantial increase in both employment and incomes, and a correlative increase in the number of families able to afford new homes. It will also swell the ranks of young people able to get married and move into their own apartments.

Surprising Gain in Residential Construction Contracts

The final factor which convinces me that the housing market will be quite buoyant during the remainder of this year is the strength in residential construction contract awards in recent months. As in generally known, the F. W. Dodge Corporation publishes reports on construction contracts awarded throughout the United States. Once a month we make public a national summary of contract volume, by major type of construction. These figures are watched very closely because they indicate the future trend of construction expenditures and because construction expenditures in turn have a most important bearing on the general business outlook.

I am happy to say that the volume of contract awards in the first three months of this year has been exceptionally large. Total construction awards for the first quarter were 19% ahead of the same quarter in 1961, and residential awards were 22% ahead

of 1961. Awards for apartment buildings have been particularly strong, running 69% ahead of last year. The gain in residential awards has been well distributed throughout the United States, with all parts of the country except the Plains States showing substantial percentage increases.

These increases in housing contract awards do not guarantee an all-out boom throughout 1962. They do indicate, however, that builders are moving ahead confidently and that actual housing starts in the next few months will run at a very high level. Earlier this year, bad weather prevented some proposed work from being activated but this meant that the backlog of proposed housing was rising. In March, housing starts jumped upward to above a 1,400,000 annual rate, responding as might have been expected on the basis of the January and February Dodge figures. Current awards indicate a continuation of this high level of housing starts.

Conclusion

Now, what conclusion can be drawn from all of this evidence? I believe the evidence indicates a good year for residential construction, with the housing market becoming progressively stronger as the year unfolds. Government figures on housing starts have recently become so erratic that it is difficult to arrive at a firm estimate of so wildly fluctuating a series. I nevertheless think it safe to conclude that the year 1962 will see 1,400,000 nonfarm housing starts, which would put it substantially above the average year in the postwar period.

Even more significant will be the trend in the Dodge figures on residential construction contract awards. In February we revised upward our 1962 forecast of the expected volume of housing awards, and events since then appear to bear out this more optimistic prediction. We believe that residential construction awards in 1962 will exceed \$18 billion, 13% above the 1961 total and higher than in any previous year. Although as I have already indicated there are some depressive influences at work in the housing market, it seems to me that an objective balancing of all the upward and downward forces supports our prediction that housing output will be maintained at a very high level throughout 1962.

An address by Dr. McKinley before the Fifth Annual Economic Conference of the National Industrial Conference Board, New York City.

The Failure of Phony "Liberalism"

By H. L. Spencer, Pasadena, Calif.

West Coast contributor rakes the results of the "fantastic" increase in the cost of government, of persistent deficit-financing, and of unsound money during the past 30 years of what he calls "phony liberalism." In adding up the score, Mr. Spencer adjudges it has been a "disastrous failure," and has created more problems than it has solved. Mr. Spencer expresses great concern at the continuation of these policies; charges President Kennedy is asking for "powers that are remarkably similar to those seized by Hitler"; and declares a group of liberal socialist conspirators have contemptuously robbed our birthright, and that the twisted thinking of "liberal" professors and their text books has had a profound effect upon college graduates in whose hands the future of the country lies. Unless "government by slogan, by inflation, and by continued deficit financing stops" we will wind up, he says, in socialism.

It is unpleasant to mention and sad to admit but the truth is that far too many of our countrymen have acquired a dangerous blind spot. They have become suckers for the slogans of phony "liberalism."



H. L. Spencer

We are currently so devoted to the propositions of "Growth," "Moving Ahead" and "Let's Get Going" that we have apparently forgotten and completely discarded the time-tested concept of a sound currency. Belief in "good money" has, over the years, provided us with great rewards; it at least has had the virtue of proving that it works. But mention of it today gets no more than a condescending smile from the bright young men who are convinced they have all the answers and are now so busy manipulating financial levers in Washington.

Our currency is the economic blood stream of the nation which nourishes stability and growth. When it is infected with the malignant virus of inflation, however, it produces a growth that is cancerous in nature and based upon excessive debt, over-extension of credit, the vast expenditures for armament and fear. The direction in which that type of growth is moving us is not ahead but toward the potter's field for bankrupt nations.

With our record of 25 years out of the last 31 devoted to deficit spending, Mr. Kennedy now asks for more powers to spend us into further debt. While many of those powers have been allocated by the Constitution to Congress, he nevertheless wants: (1) Power for unlimited backdoor spending in foreign aid without Congressional approval; (2) Power to raise or lower taxes based solely on his own judgment; (3) Power to spend vast sums on public works at his discretion; (4) Power to lower tariff barriers. And, judged by his moves in the steel price situation, he apparently seeks power to set prices.

Charges Dictatorial Powers and Spending

There are two facts which stand out brazenly in the current situation: First, Mr. Kennedy is asking for what amount to the powers of a dictator, powers that are remarkably similar to those seized by Hitler. And, secondly, this Administration is already spending more, and we are enjoying it less, than in any other peacetime period of history.

In support of the Kennedy program Dr. Arthur Schlesinger, high priest of the so-called "liberal" philosophy, says in the *Saturday Evening Post* of May 19, 1962, that

the central issue of the time is the "balance between the amount of our national wealth we reserve for private satisfaction and the amount we dedicate to the public sector." He argues that more resources devoted to the public sector will improve the individual's material welfare so he may win his own "spiritual fulfillment," whatever that may be.

There are several glaring errors in this line of thought: First, the assumption that those in control of the public sector are a group of selfless patriots dedicated to the nation's welfare, whereas, with some notable exceptions, they are a group of self centered, ambitious and ruthless politicians backed by an army of 2½ million tax-eating and clock-watching bureaucrats who are devoted to these things first of all: more money—more power—re-election to office and perpetuation in their civil service jobs.

Secondly, it is wishful thinking to believe our governments, national, state or local, can create economic welfare by spending vast amounts of the taxpayers' hard earned substance in wasteful undertakings, or that they are organizations which can do a job in a businesslike way at any reasonable cost. There are recognized areas of the public sector, of course, in which constitutionally authorized public action is necessary. But when those limits are exceeded, waste and inefficiency result.

And, thirdly, the cost of government in 1962 has risen to a fantastic height that justifies doubt as to the sanity of those responsible for its operation. Whereas in 1929 the "public sector" cost us \$10.2 billion, in the current year it will cost \$162.0 billion, or one-third of our national income. In 1929 it cost a family of four \$336; in 1962 that cost will be \$3,472. The question is: Is it worth it? It is possible that Dr. Schlesinger is not aware of these figures but they are available to the public in data issued by the Department of Commerce.

But in spite of adulation by Dr. Schlesinger and a remarkable degree of public support, Mr. Kennedy has not had clear sailing by any means. Lack of legislative results in the first half of the 87th Congress and present Congressional reluctance to part with its constitutional prerogatives would indicate he may be in trouble. His failures there, however, are inconspicuous in comparison with his failures in foreign affairs. That we fiddled away the Monroe Doctrine while Cuba burned and practically destroyed for this hemisphere the international prestige he was so concerned about before election, that we talked too big and did too little in Laos and that we permitted a strange use of our money and equipment to fight the only non-Communist part of the Congo—all these and many more failures of policy have created a cumulative image of weakness and

uncertainty that has not been in accordance with our expectations.

Inaugural Address Raised Hopes

For, to those who listened to the inaugural address of President Kennedy, there came hope that, under what we believed would be his resolute and well advised leadership, our beloved country would progress to realistically sound policies both at home and abroad; that the danger of atomic war would be lessened and the perils of more inflation would be brought under control. But the actuality of what has happened is far from those hopes. There is greater danger of war than before. And the all-consuming fires of inflation have been stoked and tended by this administration with an intensity of devotion that makes all preceding inflationists look like amateurs.

It is strange indeed that in this time of what we have been told is our greatest prosperity, the American people should carelessly permit their leaders to dose them with more of this poisonous and habit forming prescription. It is a drug partly made up in Moscow and heartily approved for our use by the Soviets in the belief that it will provide for the ultimate subjugation of the United States. Inflation and debauched currencies abroad but a conservative fiscal policy at home is the Russian plan for winning the cold war.

Since spring of 1961 it has been generally recognized that the President has accepted the doctrine of inflation. Congress, lacking firm leadership, has become a confused and apparently helpless accessory to the crime while Secretary of the Treasury Dillon, who should be the natural guardian of our solvency, has said, "The Kennedy red ink budgets are no cause for alarm and that continuing deficits will be entirely appropriate."

All this is being done in the name of so-called "liberalism," a beautiful but abused word, stolen and corrupted by the radicals. History attests that inflationary spending with reckless expansion of government power always ends up in reaction. It is not truly liberal; it leads to loss of freedom and repudiation, the tyranny of bureaucracy, loss of real purchasing power; over-production and serious unemployment due to high prices. It is the next to last recourse of mismanaged nations; the last is war.

There must be a limit, however, beyond which the pursuit of this will-o-the-wisp of "liberal" government prodigality will currently prove unrewarding. When the full impact of massive over-production meets head on against the

cheap foreign competition we have subsidized and there are requirements for more reckless spending to provide more full employment to create more over-production . . . something will have to give.

The thing that should give is our national patience. We are a not easily aroused people and slow to anger. But, for 30 years our native conservative common sense has been outraged and we know it. Flying in the face of all human experience, we have deliberately embarked on the very type of "inflationary" experiment which has ruined every nation that tried it. We have been contemptuously robbed of our birthright by a group of "liberal" socialist conspirators who, in cap and gown, have inflicted their heresies upon us and our children, doing their best to destroy not only our economic freedoms but our form of constitutional government as well.

Criticizes Professors

The twisted thinking of "liberal" professors and their text books has had a profound effect on college undergraduates. In combination with the shoddy teaching of progressive education, it has produced indoctrination of a whole generation with the belief our freedom and our free enterprise society are doomed; that our Constitution is an outmoded document; that thrift, saving and a policy of intelligent conservatism are harmful; that big spending is good and that socialism and the welfare state are the waves of the future. And this is the generation into whose uncertain hands passing the future of the country and our form of government—their protection and preservation or their decline and fall.

Success or failure of any national policy should be determined by the results obtained. On that basis the outcome of 30 years of "liberalism" can only be adjudged disastrous failure. For the costs of this dangerous experiment in debt and inflation is all too clearly shown by a statistical sign post of which too few are aware and about which too many don't care. It should be emblazoned—DANGER! . . . STOP—LOOK—AND LISTEN. On page 32 of the May 1961 *Survey of Current Business* published by the Department of Commerce (the two year old but latest information available) the Public and Private Debt of the United States is given as \$1,026,800,000,000—more than a trillion dollars of debt.

There are those who will feel that with a Gross National Product of half a trillion and a debt of more than a trillion we are en-

tering new territory. But this is far from new. Many other nations throughout history have trampled this ground well while Germany, in her period of inflation, explored the region thoroughly, finding it grim and exceedingly unpleasant. When it took a basket of marks to buy a loaf of bread, one can only speculate as to what Germany's debt and GNP must have been. Probably the adding machines ran out of zeros.

While the result of too many years of reckless spending is shocking, there is a present added complication that cannot be overlooked. Even in the face of continued deficit spending and with more to come, unemployment has remained stubbornly high; 7.2 million of our people are on relief; foreclosures on homes jumped 50% in 1961 and in the second quarter of that year 8.1% of rental houses and apartments were vacant, a higher rate than at the bottom of the great depression.

This unsatisfactory condition has a strange similarity to that of the late 1930's and almost justifies the assumption that over-indulgence in the dangerous drug of Federal prodigality has finally produced an immunity to its further effectiveness. Our continued preoccupation with foreign aid and the mirage of "world leadership" in a world that, including our allies, does not want to be led, in combination with a hard eyed look from abroad at our dwindling gold reserves, is producing a set of embarrassing contradictions. The fact is that 30 years of "liberalism" have created more problems than they have solved, while by undermining confidence at home and abroad in the integrity and credit of the United States, the penalties of deficit spending have come to outweigh its political and economic usefulness. A hopeful by-product of this situation is that the magic formula embraced by politicians of both parties wherein they tried to buy your vote with your own money and charge the cost to your grandchildren, may also pass.

As the history of 30 years of "liberalism" becomes more clear in perspective it becomes apparent that government by slogan, by inflation and by continued deficit spending has become a great danger to the solvency of our free economy and form of government. For it is a way of life cynically designed by clever and unscrupulous men to destroy the savings-investment incentives of conservative capitalism and lure us toward a highly improbable utopia of socialism.

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"We Can't Control Output On a Farm-to-Farm Basis"

By Robert C. Liebenow,* President, Board of Trade of the City of Chicago, Chicago, Ill.

Reproaching the Administration for pursuing a national agricultural policy of bankruptcy, Mr. Liebenow advocates the Chicago Board of Trade proposals for direct Federal payments to farmers be substituted for high support prices. The high expenditures for a few years sensibly handled, he adds, would reverse our policy of running a wonderfully efficient national asset into a liability, get us out of the present ruinous jungle, and restore farming to free enterprise. As it is now, he points out, even with disincentives to the efficient farmer, 39.1% of our farms sell 87.3% of the farm products. Other than in the American Farm Bureau Federation's opposition to this plan, Mr. Liebenow agrees with their other agricultural policies. He praises the Administration for what it is doing to aid agricultural exports, and urges it to enact policies in accord with its espousal of the free market system.

We must frankly face the facts and implications of our modern agriculture — an agriculture unsurpassed anywhere in the world. It is probable that the 1960's will be most decisive years for this nation. As I view the scene, I am convinced that the years that lie ahead, although they will be troublesome, irksome and try our patience, that nevertheless there will emerge a new world of hope and opportunity. However, if we are to arrive into this more favorable era, we must lay the foundation now by applying our wisdom toward understanding today's complex forces. We must have the ability to recognize the forces for what they are and bring both courage and resiliency to the fore so that the critical situations will be resolved in favor of a continuation and expansion of the free enterprise system.



Robert C. Liebenow

One of the great factors in our favor is the tremendous technical ability and physical resources that the United States can bring to bear in the struggle. This is one of the great advantages which a free society has over a regimented one. Witness the power struggles continually going on between Communist nations and within Communist countries. Witness the shuffling about of bodies and statues removed from Communist places of prominence. Witness the number of names of former "heroes" whose names have been eliminated from the public squares and even from the history books. Witness the complete failure of the Communist agricultural policies—a major monument of failure due to regimentation and the destruction of a competitive marketing system. Witness the resultant low standard of living.

The United States is a great power in the power struggle, and we should not forget this for one moment. We grew strong under free enterprise. We must not weaken ourselves by allowing government enterprise under a burgeoning bureaucracy to weaken us.

All around us is evidence that the farmers of this nation are doing an outstandingly efficient job of providing the foods and fibers essential to our national well-being. The production efficiency of our farms and ranches undergirds the American standard of living—the highest in the world. The breakthrough in our agricultural technology, while creating some grave and difficult temporary problems, also provides us with an opportunity, never before made available to any nation in the world, to help developing na-

tions to help themselves. Our productive capacity is helping to build a political, economic and social structure oriented toward freedom. It is strengthening the free world.

We Owe a Debt to Nation's Farmers

The nation owes a debt of gratitude to farmers for the magnificent contribution they made to victory in World War II and to the part they played in speeding world recovery after the war. The role which United States food played for our allies during the war and to the needy world in the postwar era is simply impossible to exaggerate.

It is a most amazing fact that farm production per man-hour has tripled in 20 years. In the past 10 years it has almost doubled. There have been greater changes in agriculture in our lifetime than in all the previous 2,000 years.

Our productive efficiency was clearly evident to Mr. Khrushchev during his recent visits. He admitted that United States agriculture was far more advanced than that of the Soviet Union. As a matter of fact, one of the dreams of the Soviets is to have some day an agriculture as productive as ours.

Call it what you will—technological breakthrough, scientific revolution, or production explosion—the fact is that this trend to abundance of our agriculture is irreversible, cumulative, and continuing. This is good. It is progress. It promises much for the future. But we must use it wisely. This means that we must further expand markets and other outlets for farm products, not only at home, but also among friendly people over the world who need the abundance that this blessed nation is producing.

There must be even more vigor put into the battle to utilize even more of the abundance of our farms. The War against Hunger is the only war in which all countries in the world should be engaged.

This opportunity imposes on us a rather awesome responsibility. No longer can men excuse an unwillingness to do something about human needs by saying that hunger is inevitable. Now, more than ever before, the problems of free world food supply must be approached by practical men in practical ways to attain a goal that is possible, even though difficult and distant.

The farmer is perhaps the most important American internationally. Efficiency and technological advancement have made it possible for our farmer not only to satisfy constantly increasing domestic agricultural demands, but also to produce a quantity of commodities sufficient to make him a vital supplier of foreign markets. The urban citizen probably has little conception of the extent of international trade in agricultural commodities. One out of every

six acres tilled on farms is cultivated for free-world trade. The products of some 60 million acres of cropland moved to foreign consumers last year.

The people of foreign nations need and want our agricultural products. The problem, as we see it, is one of implementing an exchange of our goods for theirs.

Supports Tariff Bill

We feel that agriculture will benefit more from the Trade Expansion Act of 1962 than any other segment of our economy. This legislation will provide the Executive Branch with effective means of expanding export markets.

We realize that some forms of import protection will remain necessary, but we feel this bill would go far toward breaking down those which are nonessential and which have the practical reciprocal effect of hampering our farmer's ability to sell his goods to willing foreign buyers. We think provisions of the bill will place the United States in a better position to negotiate beneficial trade agreements for farm products.

In the difficult area of agricultural marketing, flexibility seems vital to the achievement of satisfactory treaties. What is good for wheat may not be good for soybeans. Trade agreements thus should be evaluated not only on a product-by-product and country-by-country basis, but should be considered in the framework of making as many profitable foreign markets as possible open to as many agricultural products as possible. We believe the terms of H.R. 9900 are sufficiently flexible to permit negotiations in the interests of all American farmers without sacrificing protection needed for particular commodities.

Increased purchasing power, especially in the Common Market countries, provides great opportunities for expanded sales of agricultural commodities. We are sure that the President will use the bargaining power to which he will have access through H.R. 9900 to obtain concessions that will enable the United States to expand exports.

Praises Opening Up of Foreign Markets

Incidentally, we should like to compliment Secretary Freeman for the major and successful effort he made to obtain concessions from the Common Market countries in recent months. We have followed these efforts with great interest and are pleased not only by his recognition of the need for sustained effort, but the conscientious way with which he pursued his goal.

I have been most pleased with the constructive efforts this Administration has put forth in the areas of utilizing our abundance and in opening up new markets abroad. However, there are several phases of this Administration's policies which cause me a great deal of concern. As a matter of fact, several of the elements of Secretary of Agriculture Freeman's policies must be causing the rest of the Administration serious concern.

President Kennedy recently made a speech on economic policy to the National Association of Manufacturers. His analysis of the problems of international economics serves as a clear call to the American people to assume the economic role essential in these times and appropriate to our strength and resources. In this speech the President said: "In every sense of the word, therefore, capitalism is on trial as we debate these issues. For many years in many lands, we have boasted of the virtues of the marketplace under free competitive enterprise of America's ability to compete, of the vitality of our system in keeping abreast with the times. Now the world will see whether we meant it or not—whether America

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Connecticut Brevities

Harvey Hubbell, Inc., of Bridgeport has announced its intention to purchase the Kellems Co., Inc. of Stonington. The Kellems business, founded in 1927, will become a division of Harvey Hubbell.

Harvey Hubbell makes electrical wiring devices and the Kellems Co., produces a variety of wire products.

Acme Wire Co., Hamden, has completed a new wire enameling plant and research and development laboratory. Construction of the facilities is the first phase in the 58-year-old company's 10-year expansion program. So far Acme has spent about \$500,000. The new plant houses magnet wire enameling equipment of the most modern design and new wire drawing equipment. The new research and development laboratories replace smaller facilities which the company has outgrown. They are equipped with precision chemical and electronic testing equipment, not only for research, but also for product engineering and quality control systems. The company is also rearranging its coil winding department and installing new machinery.

Atomic Generating Plant. The three largest Connecticut electric companies are considering joint construction of a \$70 million nuclear power plant in the state. The companies which would own and operate it are Hartford Electric Light Co., The Connecticut Light & Power Co., and United Illuminating Co. The plant would have a 350,000-400,000 kilowatt capacity and would be ready by 1968. It would be the second nuclear generating station in New England. The Yankee Atomic Electric Company's station in Rowe, Mass., is already supplying New England with 4% of its electric power. The projected plant would have double the power output of the Rowe plant and would cost about \$70 million compared to \$43.7 million at Rowe. Several locations along the Connecticut River, including Connecticut sites, are under consideration. The new plant would be part of the over-all development of power in New England and could supply power to sections of the region and also New York under an arrangement with Consolidated Edison.

The Raymond Engineering Laboratory, Inc., Middletown, in order to carry on increased volume, has added substantially to its staff of engineers and technical personnel. Current employment is 325.

Management has reported that a sharp rise in sales has been realized during the first two months of 1962. Barring drastic changes in government procurement policy, this rate is expected to be sustained throughout the year. Raymond Engineering plans to start adding additional plant space this spring to accommodate increased operations. The company manufactures items in the missile and space field.

Pratt & Whitney Aircraft, East Hartford, has been selected as one of two companies to design and develop systems to supply electrical power for America's Apollo spacecraft that will be sent to the moon. The designation was made by North American Aviation, Inc., prime contractor for the multi-million dollar project, largest ever let by the National Aeronautics and Space Agency. The contract, together with the second one to a division of Thompson Ramo-Wooldridge, Inc., will involve fuel cells, one of the potentially important new power plants under development. Parallel contracts were let to insure two different approaches to the design of the fuel cell, a critical component of the space craft.

P&W, in a company-financed program, began intensive research on fuel cells in 1958. P&W has organized a strong team of electrochemical scientists and engineers to support its program of fuel cell system development. The company has also built new research and development facilities to supplement its manufacturing plant in East Hartford.

The Perkin-Elmer Corporation of Norwalk has acquired Erb & Gray Scientific, Inc. of Los Angeles through an exchange of stock. Erb & Gray is a dealer for scientific instruments of both domestic and foreign manufacture. Among the products it handles is an electron microscope produced by Hitachi, Ltd., the firm with whom Perkin-Elmer formed a jointly owned company in Japan last year.

Perkin-Elmer's new 108,000 square foot research and engineering center in Wilton, Connecticut, was formally dedicated last month and is now fully occupied.

Kaman Aircraft of Bloomfield has been awarded a contract by the Air Force for \$8,763,243 to make H43-B helicopters. Nicknamed "Huskie" the twin rotor helicopter is an Air Force crash-rescue craft. Its radical rotors make it possible for a pilot to fly directly over a burning aircraft, and using the rotors it may blast a path through the flames for rescuing occupants. The "Huskie," presently stationed at forty-eight Air Force bases, has recently established three new international altitude and distance records.

With David J. Greene

David J. Greene & Co., 72 Wall Street, New York City, members of the New York Stock Exchange, announced that Robert J. Ravitz, formerly with the law firm of Furr, Hand, Whittaker & Watson, has joined their company in the Research Department.

Now With Blyth & Co.

KANSAS CITY, Mo.—Anthony D. Rausch is now affiliated with Blyth & Co., Inc., 1004 Baltimore Avenue. He was formerly with George K. Baum & Co., and prior thereto with First Securities Company of Wichita.

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The Aluminum Industry— A Short-Term Outlook

By R. S. Reynolds,* President, Reynolds Metals Company

Unlike other industries, the aluminum industry's decline in profits has not been accompanied by a drop in sales. Mr. Reynolds' intensive review of the dark and bright side of the industry's performance also notes that since 1946 aluminum shipments have increased at a far greater rate than the nation's industrial growth. Depicted are the factors contributing to the profits-decline besides the problem of idle capacity, and the reasons why the industry will benefit when demand reaches capacity.

Let's begin by briefly reviewing the record of the past five years in the aluminum industry. In 1955, there was a shortage of aluminum. Aluminum was so hard to get that scrap and secondary metal was selling for higher prices than was primary aluminum. In fact there were several Congressional investigations looking into our allocations to customers. From 1946 through 1955, aluminum was in short supply with the exception of a few short periods.



R. S. Reynolds

In 1956 the United States aluminum industry began a round of expansion that took nearly three years to complete. The expansion program was based on generally accepted economic forecasts that the new capacity would be needed to meet consumer demand in 1960.

By 1960 this new capacity was almost completely in place. Primary aluminum capacity was increased 40%, at a cost of more than \$500 million. In addition we spent another \$500 million to modernize and expand our fabricating facilities. The number of primary producers rose to six and they were equipped to supply almost 2½ million tons per year.

Our company increased its capacity from 488,000 tons to 701,000 tons. The major reason for our action was to provide the automobile companies, with whom we had contracts, metal for their expected increased usage.

For every pound of new capacity we added for the automobile firms, we added about one more pound for other customers. We were determined to have an adequate supply of metal for the growing needs of our customers.

What happened to the nation's economy between 1956 and 1960 is well known. The nation's rate of growth slowed down. Aluminum consumption did not reach the predicted levels. Durable goods particularly were hard hit.

Nineteen-sixty turned out to be a year of downturn and 1961 was hardly better—though it was a year of recovery.

For the past two years, the industry's excess capacity was between 500 and 600 thousand tons.

What has been the effect of this excess capacity on our profits?

In 1955 the ratio of net profit to sales for the three leading primary aluminum producers was 11%. In 1961 it was down to 5%. In 1956 the return on assets for these three companies was better than 7%. It was less than 3% in 1961.

Reason for Drop in Profits

However, the drop in profits is not due solely to idle capacity.

Five other factors have contributed significantly to our decreased profits.

First, we realized early in this period that we needed to place more emphasis than ever before on product development. We had

to find many new uses for aluminum—to use our capacity.

The establishment of a new aluminum product in the market is more expensive for aluminum producers than just product development. In many cases we must prove that the aluminum product is practical by actually making the product ourselves. We must enter markets long dominated by other materials. As an example, we actually had to get out and sell aluminum cans and produce them. When we did this others followed us: In the first year, about 30,000 tons were used for cans.

Automobiles are using increasing amounts of aluminum but in many cases, automobile manufacturers had to be shown first. For example we had to make the aluminum Cadillac grilles—the first item of automotive trim. Aluminum is now used for most auto grilles and for many other decorative applications. About 10% of auto engines are in aluminum. Another promising development is our work on aluminum wheels.

Many of you have heard of the new aluminum freight cars. Here is another example where money was spent to develop practical freight cars out of aluminum. These expenditures resulted in light weight cars that mean greater payloads. Now the customers of the railroads are asking for lower freight rates made possible by these aluminum freight cars. If the railroad industry is allowed to pass savings in costs along to the consumer in the form of lower freight rates, then a tremendous volume market for aluminum will open to us.

As a second factor, we have also expanded our distribution outlets to make sure our new mill and building products are made easily available to builders and industrial customers.

Third, overcapacity does not diminish our need for plants and equipment expenditures. On the contrary, competition for markets requires constant modernization and expansion. The three largest aluminum producers spent about \$125,000,000 for capital expenditures in 1961—well below the \$500 million spent in 1957—but still a substantial amount.

The other two factors which have "squeezed" our profits are: low prices and steadily increasing labor rates and other costs.

The price of a pound of aluminum in 1956 was 24 cents. Last summer it was 26 cents. But today it is down to 24 cents.

All of these factors have caused our profits to decrease.

But in other industries, a drop in profits has been accompanied by a drop in sales. In contrast to other industries aluminum sales have continued to grow.

I've been talking in general terms. Now let's get a bit more specific. In 1961, total shipments of aluminum were 2,400,000 tons—3.6% over 1960. Actually domestic shipments rose 11%, but they were offset by a sharp decline in exports.

Business began to turn up in the latter part of 1961 and aluminum shipments reached an annual rate of 2,600,000 tons during the fourth quarter.

In the first three months of this year shipments again increased

to an annual rate of 2,740,000 tons, the best first quarter on record. Indications are that shipments will continue to rise and reach a new record in the second quarter of this year. The present record was the second quarter of 1959 when the annual rate reached 2,800,000—a figure heavily inflated by hedging in anticipation of a steel strike.

Forecasts made at the beginning of the year called for the aluminum industry to establish new records for production and shipments. It was predicted that shipments would be up 15 to 20% from 1961. This would top aluminum's record year—1959—when 2,480,000 tons were shipped.

Even with increasing shipments our profits are not what we expected.

Production

The rise in aluminum demand has, of course, increased the operating rate of the industry. It is now about 85% of the industry's in-place capacity.

It is interesting to note, however, that the three newest primary producers are already operating at 100%. Thus any increase in demand for aluminum will have its biggest impact on the big "three"—Alcoa, Kaiser and Reynolds.

Our economists have estimated that a 5% increase in aluminum demand over the present level would require operating rates of the big three to move up to 95%. And a 10% rise would put the entire industry at 100% of rated capacity.

Then all the factors which work against us when business is slow will work in our favor.

Foreign Trade

Now, let me make a few remarks on our industry's foreign trade. Exports were 13% of total shipments in 1960. Last year they were only 7%. In 1961, the economic growth of several leading European nations slowed down. An improvement in the growth of these countries should help the aluminum export picture. Exports this year should be substantially higher than the 325 million pounds of fabricated shapes and ingot shipped abroad in 1961.

Since the administration is trying to promote large increases in exports to help deal with unemployment and the balance of

payments problem, I would like to comment briefly on the President's trade program and its relation to the aluminum import-export problem.

Personally, I think the broad objectives of Mr. Kennedy's program are imaginative and daring. With the new speeds of transportation and communication, the free world is now a natural economic unit for commerce and industry.

However, tariff cutting will NOT necessarily give us access to foreign markets. The Common Market tariff structure will discriminate against us no matter how drastically we cut our tariffs.

The Common Market insists that they will reduce their tariffs if we lower ours. But a 20% cut in the duty on primary aluminum by both sides would still leave the Common Market duty almost double ours! Ours would go down to 4%. Theirs would be cut to 8%.

What we need is equalization of tariffs, not just reduction. This can only be obtained through bargaining—and for this purpose the aluminum industry proposes that the President be given a broader right to raise as well as lower tariffs.

Summary

Now let's add up—briefly—the pluses and minuses for the aluminum industry. On the dark side of the picture we have an industry going through a painful period of adjustment—what we might call "growing pains." Excess capacity encouraged price cutting and this combined with rising costs has resulted in lower profits. Further pressure against prices and profits are being provided by unneeded surplus imports.

On the bright side is the fact that since 1946 aluminum shipments have increased at a far greater rate than the nation's industrial growth.

In addition, we have two characteristics for which the aluminum industry is well known—aggressive market development and good merchandising. These are key factors in the aluminum industry's recovery and continued growth.

Finally, we have the most efficient plants in the world. This means we are in a position to

benefit when demand reaches capacity.

*From a talk by Mr. Reynolds before the 5th Annual Economic Conference of the National Industrial Conference Board, New York City.

Englander Wire to Cantor, Fitzgerald

Englander & Co., Inc., 115 Broadway, New York City have announced the installation of a California direct wire to Cantor, Fitzgerald & Co., Inc., 232 North Canon Drive, Beverly Hills, Calif.

Davidson With Kidder, Peabody

Kidder, Peabody & Co., 20 Exchange Place, New York City, members of the New York Stock Exchange, have announced that Philip D. Davidson has joined them in the Syndicate department.

Inv. Diversified Elects Exec. V.-P.

MINNEAPOLIS, Minn.—Investors Diversified Services, Inc., Investors Building, has announced the election of Thomas W. Moses as Executive Vice-President.

T. Goodman With Charles Plohn Co.

Theodore Goodman has become associated with Charles Plohn & Co., 4 Albany Street, New York City, members of the New York Stock Exchange, as Manager of the underwriting department.

First Mutual Inv.

JOHNSTON, R. I.—First Mutual Investors Corporation is conducting a securities business from offices at 15 Susan Circle. Officers are Arthur Lefevre, Jr., President and Treasurer, and L. A. Lefevre, Vice-President and Secretary.

WESTERN POWER & GAS COMPANY AND SUBSIDIARIES

Summary of Consolidated Earnings

	12 months ended April 30	
	1962	1961
Operating revenues	\$71,759,267	\$60,229,364
Net operating income	12,293,006	9,687,789
Net income before minority interest and preferred dividends	8,601,551	6,983,406
Balance for common stock of Westgas	\$ 4,679,212	\$ 3,878,409
Shares of common stock outstanding April 30	2,763,351	2,665,540
Earnings per share—		
On end-of-period basis	\$1.69	\$1.46
On average shares basis	\$1.71	\$1.49

The State of TRADE and INDUSTRY

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

According to the latest Federal Reserve System's national summary of business conditions, "economic activity expanded somewhat further in May with increases in industrial output, sales of autos and nondurable goods, and construction activity. Personal income and employment edged up and the unemployment rate declined slightly further. Commercial bank credit expanded somewhat further. Common stock prices dropped sharply in May and early June.

Industrial Production

"Industrial production in May was 118% of the 1957 average, up one-half per cent from the April level. A sharp decline in steel production was more than offset by widespread gains among other industrial materials, consumer goods, and business equipment.

"Auto assemblies increased further by 5% in May and current schedules indicate a continued rise in output in June. Production of furniture and some other home goods also increased in May, while output of television sets declined slightly from an advanced April level. In the equipment industries, there were gains in output of industrial, commercial, and farm machinery as well as in freight and passenger equipment.

"Steel ingot production was curtailed sharply in May and the total index for iron and steel mill operations declined 12%. In early June, ingot output declined slightly further. Output of construction materials as well as most nondurable materials rose further in May.

Employment

"Seasonally adjusted employ-

ment in nonfarm establishments rose slightly further in May to 55.3 million. The factory work-week increased less than seasonally from the advanced level reached in April. Average hourly and weekly earnings were maintained at record levels. The seasonally adjusted unemployment rate was 5.4% as compared with 5.5 in April.

Construction

"Value of new construction activity increased in May for the third consecutive month and, at a seasonally adjusted annual rate of \$59.6 billion, about matched the record fourth quarter average of last year. Public construction decreased further in May, while private construction advanced 4% as residential and most types of non-residential activity continued to rise.

Distribution

"Dealer deliveries of new autos increased further in May to a seasonally adjusted, annual rate of 7½ million units, including imports, as compared to a 6¼ million rate a year earlier. Department store sales in May rose somewhat further from the record March - April level and were sharply above a year ago.

The preliminary figures reported on total retail sales were off slightly in May following an appreciable increase earlier in the year. Dealers' stocks of autos have been reduced this spring and stocks at department stores have shown little change.

Commodity Prices

"The wholesale commodity price index declined somewhat between early May and early June, as decreases among fresh vegetables and meats contributed to a decline in foodstuffs. Prices of industrial commodities generally continued to show little change. The consumer price index rose slightly further in April with prices of used cars up 4%.

Bank Credit and Reserves

"Total commercial bank credit increased somewhat further in May. Expansion in loans was at a slackened rate and holdings of U. S. Government securities declined. The seasonally adjusted money supply declined sharply in the second half of the month. Time deposits at commercial banks rose further and U. S. deposits increased substantially.

Total reserves and required reserves of member banks increased in May. Excess reserves and member bank borrowings from the Federal Reserve were about unchanged. Reserves were absorbed principally through further gold

outflow and an increase in currency in circulation and were supplied by Federal Reserve purchases of U. S. Government securities.

Security Markets

"New security financing by corporations and State and local governments was in moderate volume from mid-May through mid-June. Yields on corporate bonds changed little while yields on State and local government bonds increased. Common stock prices decreased sharply further in heavy trading volume.

"Yields on U. S. Government securities changed little from mid-May to mid-June. The market rate on 3-month Treasury bills fluctuated narrowly in a range around 2½%, while yields on long-term bonds averaged slightly below 3.90%."

Bank Clearings Decrease 2.3% Below 1961 Week

Bank clearings this week will show a decrease 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 16, data from all cities of the United States from which it is possible to obtain weekly figures will be 2.3% below those for the corresponding week last year. Our preliminary totals stand at \$30,941,634,098 against \$31,674,660,074 for the same week in 1961. Our comparative summary for some of the principal money centers follows:

Week End	(000s omitted)	1961	%
June 16—	1962	1961	
New York	\$17,325,642	\$17,655,091	-1.9
Chicago	1,476,244	1,606,835	-8.1
Philadelphia	*1,130,000	1,169,000	-3.3
Boston	855,884	841,997	+1.6
Kansas City	521,186	505,023	+3.2

*Estimated.

Steel Production Data for the Week Ended June 16, 1962

According to data compiled by the American Iron and Steel Institute, production for the week ended June 16, 1962, was 1,587,000 tons (*85.2%), as against 1,580,000 tons (*84.8%), in the week ended June 9.

Production this year through June 16 amounted to 51,348,000 tons (*114.8), or 24.7% above the period through June 17, 1961.

The Institute concludes with index of Ingot Production by Districts for week ended June 16, 1962, as follows:

	Index of Ingot Production for Week Ended June 16, 1962
North East Coast	83
Buffalo	61
Pittsburgh	84
Youngstown	64
Cleveland	82
Detroit	109
Chicago	86
Cincinnati	86
St. Louis	99
Southern	103
Western	100
Total	85.2

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

Steel Production to Bottom Out During July 4 Holiday Week

The nation's steel operations will bottom out around 45% of capacity—probably during the July 4 holiday week—*Steel* magazine predicted this week.

After dropping to about 1.3 million ingot tons, weekly output will climb toward the 1.5 million ton mark, then level off. July output will be pulled down to the lowest level of the year by inventory reductions and widespread vacations in metal consuming industries.

Steel output will start moving upward again in August as mills respond to the resurgence of automotive demand.

Production this week will be less than the 1,540,000 tons that *Steel* estimated the industry poured last week. Tonnage has dropped steadily since the figure

reached 2,417,000 tons in the week ended March 31.

New foreign steel rod mills are periling U. S. producers, *Steel* reported. A mill maker says combined output from just 11 new mills abroad—all operational by 1963—will be four million tons per year. The present annual capacity of the U. S. is about 7.3 million tons. Only four of our mills are less than 20 years old.

Navy May Triple Orders

Foreign steelmakers are winning a bigger slice of U. S. Navy orders, *Steel* said. In fiscal 1961, the Navy purchased \$629,124 worth of foreign steel. That is 3.3% of its steel purchases. In the first ten months of fiscal 1962 (ending June 30, 1962), the Navy bought \$1,739,151 worth of foreign steel—7.4% of its steel needs.

One steel company executive told *Steel* he figures that when final figures are in for fiscal 1962, the Navy will have tripled (vs. 1961) its foreign steel buys.

U. S. firms are disturbed because the Navy is placing orders for all the steel needed to build a ship at one time. Last month, the Navy purchased 3,500 tons of steel from West Germany for three missile frigates. Another order for more than 1,000 tons of plates, to be awarded shortly, will go to a Japanese firm.

U. S. steelmakers and scrap dealers are heartened by a prediction by an Austrian steelmaker that up to 95% scrap could be charged with molten iron to make steel by the basic oxygen process in vertical, top blown furnaces. The limit was thought to be 30%.

That's bound to boost popularity of such furnaces, since steelmakers can realize substantial savings when the scrap price is favorable. Last year, the U. S. produced slightly less than four million tons via all basic oxygen processes.

Right now, the scrap market is at an eight-year low. *Steel's* price composite on No. 1 heavy melting grade is at \$24.83 a gross ton, unchanged from the previous week.

A major upsurge in usage of columbium, a nonferrous metal, may not be far off, *Steel* reported. It is being used now in aircraft-aerospace research and in experimental nuclear energy programs.

Price quotations were slashed 50 to 75% by Temescal Metallurgical Corp., Berkeley, Calif., by combining three production steps into one. The development is shaping up as a major breakthrough in the metallurgy of refractory metals.

Added Labor Costs Occur July 1

The new steel labor contract will add an estimated \$2 per ton to the cost of making steel when it goes into effect July 1, *The Iron Age* reported yesterday.

The added cost comes at a time when steel orders are coming in at a rate that would justify steel production equal to a scant 50% of capacity.

In addition to the added cost, some of the clauses of the new contract may cause a considerable amount of disruption at the local level, *The Iron Age* said. This is because of complicated security provisions that are still being worked out in some cases.

These include regional transfers, minimum workweek and inflexible vacation schedules. *The Iron Age* said there may be a reaction in union locals to the settling of what many feel are plant matters in the master contracts.

The cost increase comes when the steel market is weak, and the steel industry is still reeling from results of last month's attempt to raise prices by most of the large steel companies.

The effects of the clash on prices with President Kennedy are still felt and rule out any serious thoughts of a price increase now.

The earliest possibility for price boosts would be selective price increases in September. By then,

the inventory liquidation and other factors that cloud the steel market should be past, and a fair upturn in steel orders and production should be under way, *The Iron Age* stated.

The short-term market outlook is no better, and may have faltered a little, *The Iron Age* said. The outlook for July indicates another 10% drop. Furthermore, the prospects for a resurgence of steel buying by automakers for August is not likely to reach expected strength.

Strongest of the major products are tinplate, plates, and structurals. Although even these are below expectations, they are well above the average.

Production of tinplate is near 70% of capacity although high mill inventories and a low rate of releases by consumers are disturbing.

Recent big linepipe orders have been a help to plate mills, and quite a bit of this tonnage is still to be placed. Orders for structural steel and other construction-related products are not responding as well as expected. Inventory liquidation is a bigger factor here than expected.

Congressman Wilbur D. Mills Doubts Tax Reform Passage

Congressman Wilbur D. Mills doubts if a major tax reform bill could get through Congress even next year.

The powerful chairman of the House of Representatives Ways and Means Committee disclosed his beliefs on tax cuts and tax reform this week in *The Iron Age*, the weekly magazine of the metalworking industry.

The Congressman also states current tax rates are too high, and says they "have a strong tendency to blunt incentives and stifle economic growth."

As chairman of the Ways and Means Committee, Congressman Mills is virtually all-powerful in tax legislation. He will play a key part in acting on President Kennedy's request for an across-the-board tax cut next year.

While stating his belief that taxes are too high, Congressman Mills ties possible tax cuts to government spending.

"In addition to re-examining our tax structure," he says, "we should re-examine our expenditure programs in the hope that reductions in that area could be made."

The Arkansas Democrat does not say he favors an outright tax cut; instead, he calls for a re-examination of the tax system.

"I believe that this reassessment becomes all the more necessary if revenue goals must remain high and our revenue system is to withstand the stress and strain occasioned by high levels of government spending," he said in *The Iron Age*.

Congressman Mills is outspoken in his conviction that current tax rates are injurious to the economy.

"There is general agreement that in order for this country to maintain its economic strength domestically, and to continue in its dominant position in today's world, our rate of economic growth in the next decade must exceed that of any previous decade in history," he says.

"As part of achieving this objective, there must be a substantial revision of our war-engendered and revenue-inspired tax system in view of the strong doubt that such growth can be attained under our present tax system.

"This is particularly true under our present high rate structure which, because of its rates and the unevenness of its applications, limits initiative and causes tax considerations to over-ride business decisions which would otherwise be dictated by the signals of the market place."

On the current tax bill passed by the House and now before the Senate, Congressman Mills says

Continued on page 47

DIVIDEND NOTICES

FEDERAL

FEDERAL PAPER BOARD CO., Inc.

Common & Preferred Dividends:
The Board of Directors of Federal Paper Board Company, Inc. has this day declared the following quarterly dividends:

50¢ per share on Common Stock,
28¼¢ per share on the 4.6%
Cumulative Preferred Stock.

The Common Stock dividend is payable July 15, 1962 to stockholders of record at the close of business June 29, 1962.

The dividend on the 4.6% Cumulative \$25 par value Preferred Stock is payable September 15, 1962 to stockholders of record August 31, 1962.

QUENTIN J. KENNEDY
Secretary

June 12, 1962
Bogota, New Jersey

PACIFIC POWER & LIGHT COMPANY

Dividend Notice

Quarterly dividends of \$1.25 per share on the 5% preferred stock, \$1.13 per share on the 4.52% serial preferred stock, \$1.54 per share on the 6.16% serial preferred stock, \$1.41 per share on the 5.64% serial preferred stock, \$1.75 per share on the 7.00% serial preferred stock, \$1.50 per share on the 6.00% serial preferred stock, \$1.25 per share on the 5.00% serial preferred stock, \$1.35 per share on the 5.40% serial preferred stock, and 24 cents per share on the common stock of Pacific Power & Light Company have been declared for payment July 10, 1962, to stockholders of record at the close of business June 25, 1962.

PORTLAND, OREGON
June 13, 1962

H. W. Millay, Secretary

Profitable Opportunities in Railroad Properties

By Roger W. Babson

Opportunities to be found in unused realty holdings of railroads are called to the attention of every Chamber of Commerce located in a community which has a railroad passing through it. The fact that railroads are getting permission from the I. C. C. to go into "outside businesses" portends well for them and for many communities seeking land space for intelligent developments.

In my column which appeared during the week of May 17, I referred to the new corporations which are being formed by the Bangor & Aroostook and the Kansas City Southern railroads. (I think this was No. 2050, which means that I have written this number of columns for a similar number of weeks over the years.)

Every Chamber of Commerce Should Wake Up

These business corporations which are gradually being formed do not change the operations of the railroad passing through your city. Such a "business corporation," however, gives the railroad an opportunity to use its right-of-way, its stations, and its opportunities for business in more profitable ways. Every Chamber of Commerce should now take this matter up with the railroad passing through its city. Said railroad enlarging its facilities means a profit, which should mean an advantage to your city as well as to the stockholders of the railroad.

The railroad passenger business is dead and every community should recognize this as soon as possible. Otherwise, the railroad stockholder perhaps should consider alternatives in other transportation fields.

Suggestions to Chambers of Commerce

Every Chamber of Commerce at its next Directors' meeting should appoint a Railroad Committee. This Railroad Committee should meet and carefully go over the property of the one or more railroads passing through its city. It further should ask the city tax assessors for a rough map of the property which these one or more railroads own in said city. In fact, it might be well to have the Chairman of the Tax Assessment Committee present at the next meeting of the Railroad Committee. I fear that the railroad would hesitate to give a Chamber of Commerce a list of all its land holdings, even in said city; hence such a list must come from the tax assessors.

One of the first things for this Railroad Committee to consider is the amount of idle track which now exists. Certainly the railroads will want no more tracks, and probably much of its present track could be abandoned, enabling abundant land to be utilized for other purposes. If the railroad company refuses to sell or use such land, then the assessors should feel free to raise the tax assessments thereon. The Railroad Committee can explain to the railroad company authorities that it wishes to provide some additional earnings for the railroad rather than handicap them by higher taxes.

Formation of "Business Corporation" by a Railroad

As suggested above, there are many things which a railroad company can do without any additional legislation. The Boston & Albany Railroad, which runs through Wellesley, Mass., had two beautiful stone stations built during prosperous times. One of these it has rented to a clothes cleaning establishment, with a small waiting room for passengers. The other railroad station, one mile beyond, is being demolished

which the railroad company has which could be rented for parking lots. These would be both a contribution to the community, and also give a constantly increasing revenue to the railroad companies from whom it would collect money through the leases of the property.

Importance of Every Railroad Company Getting Permission From the Interstate Commerce Commission To Go Into Outside Business

Such "outside businesses" vary from the operation of buses to the leasing of supermarkets and small factories. This is a real opportunity for railroads to discover what can be done. In the case of the Bangor & Aroostook, it has had its business corporation purchase a personal loan company to

make small loans along its line; it is now negotiating for a machinery company to install automation in various plants of New England. Its headquarters are at Bangor, Me.; the Chamber of Commerce of that city will be glad to send to any other Chamber of Commerce details of what the Bangor & Aroostook Corp. is doing.

Englander & Co. Adds W. Balog

Walter Balog has become associated with Englander & Co., Inc., 115 Broadway, New York City, in their trading department.

Emanuel, Deetjen To Admit Two

On July 1, Emanuel, Deetjen & Co., 120 Broadway, New York City, members of the New York Stock Exchange, will admit to partnership, Ned Feldman and William G. Fallon.

Now With First Columbus

COLUMBUS, Ohio — Frank J. Casey has become associated with the First Columbus Corporation, 52 East Gay Street, members of the Midwest Stock Exchange. Mr. Casey was formerly Columbus representative for Westheimer & Company and prior thereto was with Gallagher-Roach & Co.

The Bell System helps thousands of small businesses to get started, to grow, to employ more people

Western Electric buyer (left) discusses order with president of one of the many small businesses which supply the Bell System with a wide range of tools, parts and machinery.



The Bell System's manufacturing and supply unit, the Western Electric Company, bought raw materials, supplies, equipment, etc., from nearly 40,000 other firms last year.

Nine out of ten were small businesses. They did a fine job for us and we appreciate it greatly. At the same time, our purchases of \$1,200,000,000 meant a great deal to them and their millions of employees.

A large part of the money we received from our customers, while it made our own figures look bigger, went right out to help thousands of small businesses.

Our interests and theirs are intertwined. They, too, because of jobs and wages and business, have a vital stake in anything that concerns the Bell System.

BELL TELEPHONE SYSTEM

Owned by more than two million Americans



The Market . . . And You

BY WALLACE STREETE

The stock market continued to waver uncertainly this week with strange spurts in volume showing up. No pattern was discernible with trading expanding on both rallies and declines.

The selling, however, appeared to be losing its force, and hopes were starting to build up that the market has carved out something of a lasting low.

On an intra-day basis, an absolute low of 553 was posted, the actual hourly low being 561, both accomplished on May 29. So far in the reactionary markets that followed the break, the worst the list has done on any hourly reading was 563, the June 14 close.

Official Forecasting Reversion

The new uncertainty that was added to the market came from a government official, the Commissioner of Labor Statistics. His view was that in line with the postwar pattern, 1963 was slated for a recession. And this was in conflict with the other official comment at the time of the break that since the economy was in good shape the market upheaval was merely an isolated case of jitters. So the predictive atmosphere is far from clear.

Blue Chip Uncertainties

There was still some unrest in the Blue Chips although the market comment pretty much was devoted to the merits of the proven, old-line companies that have demonstrated earnings and satisfactory yield. General Motors, for one, was obviously upset when a 2,800,000-share secondary in its stock was announced from Du Pont family holdings. Such offerings can be expected to pop up for a long time since the Du Pont company holdings have been trimmed only by a little more than a third. Such shares, handed over to the members of the family, have to be resold.

Other Blue Chips also took turns as selling targets, Union Carbide being a bit prominent via its appearance on the new lows list. Procter & Gamble and Eastman Kodak were others that had occasioned trying times.

High Yielding Quality Stock

Some of the quality items, cut back in the general selling, thus returned to respectable yields, that in Texaco for instance approached the 4% level at recent prices. After its stock split last year, the present shares held in a 47-59 range which, by a strange coincidence, has also been the 1962 range. So the shares were pretty much ignored in the general price runup for stocks last year and haven't been unduly affected by events of this year.

Despite all the pressures, competitive as well as political, that face the international companies, Texaco has been able to show a consistently superior performance. Last year on an increase of less than 2½% in sales, it was able to boost profit 10%. Projections for this year agree that the chances are good for another record performance even if the profit improvement lags slightly behind the rate achieved last year. Its production facilities were recently enlarged by its acquisition of TXL Oil Corp.

The market reaction also saw American Telephone at times in a 3½% yield bracket, which this issue hasn't been able to offer for months. At its high A.T. & T. admittedly was taking its place in the "growth" lineup, which was at odds with its pattern of a thoroughly comfortable increase in profit year after year, but without the dramatic spurts in

earnings of the other issues that sport the growth label. The available evidence, and the issue's ability to hold well above its reaction low, would tend to show that it not only is in fair demand at its lower price tag, but also would get new buying support on any new dips.

IBM Aspects

With volatile International Business Machines, the picture is less clear. The measurements available for the traditional yardsticks are confusing since there are various reported results, including its share of foreign operations, and the cash flow. At the high the issue was around 80-times the reported 1961 earnings. It has since lost half of the peak value. Using a consolidated earnings result of \$11 this year, the profit-ratio can be figured out at less than 28 at its recent low. And if cash flow of more than double the expected profit is used, the multiple dwindles to around 12-times. Whether the reaction in the price is over or not, it is clear that the shares are far more reasonably priced now for the enterprise—a demonstrated leader in its field and a definite growth company.

There was some attention being paid to the tobacco shares which even without the market downturn were available at modest profit-earnings ratios and high-yielding items of quality. The reluctance here stems from the recurring cancer scares which have restricted its following pretty much to the sophisticates. One issue that is relatively immune from these scares is U. S. Tobacco, a half century old operation that has never had a red ink year or been forced to skip its dividend.

The staples that keep U. S. Tobacco an exceptionally profitable operation are snuff, chewing tobacco and pipe tobacco. Its cigarette line revolves mostly around the low-nicotine Sano brand. In recent years it has diversified out of the tobacco field, first with acquisition of a candy bar firm and later by entering the pen and pencil field. It has also acquired a nut firm.

There was some market excitement in U. S. Tobacco last year when it began making some private-label cigarettes for a store chain. Here, again, the market's sick action has restored the shares to what could be considered a normal price level. With a return of better than 5% available, it is a prominent and stable company in any lineup of income situations.

Reviving Growth Attraction

For some of the companies that were prominent on the growth lists not too far back, the point is being quite commonly that the corporate growth elements haven't been shorn by the market's upset, but that they are available at more reasonable prices now than they have in years.

One that is mentioned on several lists in this category is Fairchild Camera which has been able to increase earnings a third in the last three years, and show a compounded 1958-1962 growth rate of 41%. Based on various price projections, it is now available at 13 to 14-times earnings after having declined 63% from its recent high. Fairchild is an operation that has shown high capability in introducing new products to keep its sales and profits growing while its bread-and-butter field, semi-conductors, has held up well profitwise in a period when technological innovations made problems for less capable makers.

The Carriers' Raised Yields

The market downturn, coming on the heels of a wage increase, gave rail stocks a rough time as they declined sympathetically. But to rail followers, all that this did was to make their yields even more attractive. Santa Fe, which at its former market high had offered 5%, is now yielding a full percentage point more. Southern Railway, which had netted 4.6% at its former high, also has been up at a 6% yield at recent market levels. The more speculative lines show even higher indicated yields.

[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.]

Corp. Bond Men Elect Officers

Frederick R. Eisele, a partner in the investment firm of Freeman & Company and out-going President of The Corporation Bond Traders Club of New York, has announced the election of the following Club officers for the coming year:

Thomas E. Feeley of Goodbody & Co. has been designated president of the Club, which was founded in 1934 and is comprised of corporate bond traders and underwriters.

J. Andrew Hachtmann of Wood Struthers & Co. has been named Vice-President; Charles A. Weigel of W. E. Hutton & Co., Secretary; and Leo Bloch of Salomon Brothers, Treasurer.



Thomas Feeley

Consol. Edison Bonds Offered

Morgan Stanley & Co., New York City, and associates are offering publicly a new issue of \$100,000,000 Consolidated Edison Co. of New York, Inc., first and refunding mortgage bonds, 4½% series, due June 1, 1992. The bonds are priced at 101.937% and accrued interest to yield approximately 4.26% to maturity.

The group was awarded the issue at a competitive sale June 19 on its bid of 101.117% which named the 4½% coupon.

Optional redemption prices for the bonds range from 106.94% to the principal amount. Special redemption price range from 101.937% to the principal amount.

Consolidated Edison of 4 Irving Place, New York City, is a public utility engaged in the generation, manufacture, purchase and sale of electricity, gas and steam. In 1961, the company's operating revenues were about \$699,000,000, of which about 80% was derived from the sale of electricity, 15% from the sale of natural gas and the remaining 5% from the sale of steam.

Net proceeds from this financing, together with other funds, will be applied to the company's construction program, estimated at \$1,160,000 for the years 1962-66.

J. S. Barr Co. To Name V.-P.

ITHACA, N. Y. — On June 28 David T. Barr will become a Vice-President of J. S. Barr & Co., Inc., Savings Bank Building, members of the New York Stock Exchange.

COMMENTARY . . .

BY M. R. LEFKOE

Las Vegas, the city of \$10 million luxury hotels, \$100 chips carelessly dropped on gambling tables, swimming weather 99 days out of 100, and \$50,000-a-week entertainers. These are the glittering facets of the "World's Greatest Resort City" with which most people are familiar.

But Las Vegas has another face, one known to only a few outside of the city's residents. A visiting businessman who is willing to forego a few minutes of his vacation to investigate this other face will find two aspects of the city of particular interest: First, the city is as dynamic and economically sound as any to be found in America. Second, the resort hotels, with investments averaging about \$6 million, are run as efficiently and with the same modern management techniques as most companies to be found in American industry.

Located in Clark County, in the middle of Nevada's sprawling desert, Las Vegas is one of the fastest growing cities in America when appraised by almost any economic standard. During the past five years, bank deposits have more than doubled, population has increased by over 60%, construction put in place (spurred mainly by increased investment in luxury hotels and convention facilities) has risen by almost 200%, and property tax valuations have risen almost 60%.

Respectable Investments

The twelve major hotels, located on what is commonly known as "The Strip", are the center of attraction for tourists, although innumerable other motels and hotels were available to house the ten million tourists who vacationed in Las Vegas last year. These visitors purchased well over \$160 million in non-gambling items. Gambling revenues totaled in excess of \$115 million.

These hotels, once financed solely by syndicates of wealthy individuals, have so grown in stature during recent years that banks, insurance companies, and pension funds have now given their seal of approval in the form of long-term loans. With a cash flow many major industrial corporations would be happy to report to shareholders, the hotels no longer find the raising of capital needed for expansion a difficult chore.

For the hotel owners and the city's businessmen, this acceptance is a long sought-after goal. Ever since the first hotel was built on "The Strip" in 1942, observers have predicted a collapse in the city's attraction to tourists with a subsequent economic decline. Given continued legal approval of gambling in the state, this forecast probably never will come true.

Gambling is important to Las Vegas. In fact, without it the city probably never would have been heard of outside of the state. However, gambling is important in a way commonly overlooked by the casual observer. Although it represents only about 40% of the money spent by vacationers, and it has been estimated that only about 30% of the tourists are originally drawn to the city by the games of chance, the dice table, the roulette wheel, the "21" games, and the slot machines make it possible for the hotels to provide a high-class, low-budget vacation to the average seeker of relaxation. It might be said that the gamblers subsidize the vacations of the non-gamblers.

Top Entertainment

Where else in the world can one see Harry James, Billy Eckstine, Louis Prima, Sarah Vaughn, The

Mary Kaye Trio and Duke Ellington for the price of a drink? Such performers are regularly seen in the hotels' lounges, as distinguished from their main club rooms. Where else can a secretary or blue-collar worker spend \$20 a day and enjoy facilities and shows which are available only to the relatively wealthy in any other resort city? Musical shows, whose admission price was \$15 to \$20 for a pair of tickets on Broadway, have been imported with their original cast and presented for the price of a dinner or a couple of drinks. For example, the Riviera, one of The Strip's most lavish hotels, is currently presenting "Bye Bye Birdie" direct from New York.

Other tourists' attractions abound, but it is primarily the low-cost entertainment and the luxurious hotel facilities which draw the tourists in growing numbers. Nowhere else can such a variety of attractions be found at such reasonable prices. While the nation's top entertainers and Broadway shows provide the evening attraction, one is not easily bored during the day. For enjoyment during the daylight hours, Las Vegas provides more swimming pools at its 12 major resort hotels, 200 motels, and 35 commercial hotels than any comparable resort. The city also boasts five 18-hole golf courses and many ranches which feature horseback riding, boating, fishing and other facilities for family relaxation.

Only a 30-minute drive from the city is Boulder (Hoover) Dam. The tallest dam in the nation, it backs up the Colorado River to form Lake Mead which is the largest man-made body of water to be found within the bounds of continental United States. With over 550 miles of shoreline, the bathing beaches, boat docks, camping and trailer sites, boating, water skiing and fishing are only a few of the facilities provided there.

Competent Management

But the question remains: Why Las Vegas? Its appealing tourist attractions can be found in many other resort cities which are not nearly as popular with vacationers. Only part of the reason lies in the low cost which is a result of subsidization by the gambling casinos. A second reason is the gambling itself. The final and perhaps most important factor is the competence of the hotels' management. These hotels are run with a precision which does credit to American industry.

First and foremost in an appraisal of management's ability is their public relations and advertising, envied by many Madison Avenue executives. With a budget of about \$10 million annually, the hotels' P. R. staffs have made Las Vegas internationally known as the "Recreation and Entertainment Capital of the World."

It is in analyzing its market that management is particularly adept. Starting with a population of 180 million people, each hotel breaks down the types of people most likely to visit Las Vegas. The vacationer's profession, place of residence, income classification, religion, nationality, etc. are carefully noted in order to decide which advertising media are best suited to reach the right people. The Riviera, for example, advertises in a petroleum magazine, since its managers believe that people in the oil business are likely candidates for a trip to Las Vegas. Other hotels make use of radio spots, television, national magazines, specialized industry

publications, and big city newspapers.

Last year approximately 350 new rooms were added to the hotels on The Strip, and this year another 1800 are scheduled to be built, excluding the one currently under construction, The Tallyho. Strangely enough, this new hotel will not provide gambling for its patrons.

Many of the hotels have made special arrangements with airlines serving Los Angeles and other Western cities to provide package tours. These tours usually include a round-trip ticket to Las Vegas, dinner and champagne on the flight, and a limousine to and from the airport. A resident of Los Angeles can obtain a tour of this type for less than \$25.

Other aspects of management, such as personal policy, purchasing, architectural studies, interior design, etc., contribute to making Las Vegas hotels as well managed as any in the country.

Although growth stocks have been in disfavor recently, there would be a resurgence of interest in them if the City of Las Vegas were marketed as a new issue.

Dillon, Read & Co. Promotes Officers

Dillon, Read & Co. Inc., 46 William Street, New York City, members of the New York Stock Exchange, has announced the election



August Belmont Frederic H. Brandt

of August Belmont as President and of Frederic H. Brandt as Chairman. Mr. Brandt will continue as chief executive officer of the firm.

Mr. Belmont has been a Vice-President of Dillon, Read & Co. Inc. since 1946 and a director since 1952. He is Vice-President and a director of United States & Foreign Securities Corporation, a director of American Viscose Corporation, Congoleum-Nairn Inc., Great American Insurance Company of New York and American National Insurance Company.

The new president is the fourth August Belmont. The first was his great-grandfather who came to this country from Frankfurt, Germany, at age 21, to found the investment firm of August Belmont & Co. and act as correspondent for the Rothschild banking interests. The year was 1831—a time of expanding trade in America. Interestingly enough, the fourth August Belmont started his investment banking career in 1931—the hundredth business anniversary of his illustrious forebear.

Mr. Belmont is treasurer and trustee of American Museum of Natural History, trustee of Presbyterian Hospital in New York, trustee of Huntington (L. I.) Hospital, trustee of Greenwood Cemetery and trustee of St. Mark's School (Massachusetts).

Mr. Brandt became a vice-president of Dillon, Read & Co. Inc. in 1937 and president and a director in 1952. He is a director of American-South African Investment Co., Ltd., C.I.T. Financial Corporation, and a director and member of the executive committees of Colgate-Palmolive Company, Interchemical Corporation and The National Cash Register Company. He is also a trustee of Beekman Downtown Hospital.

Jas. McKay Joins Francis I. DuPont

James McKay, formerly Assistant Secretary of the Socony Mobil Oil Co., Inc., has become associated with Francis I. duPont & Co., 1 Wall Street, New York City, members of the New York Stock Exchange, in its Underwriting Department, it was announced by A. Rhett duPont, Senior Partner.

Mr. McKay is a graduate of Georgetown University, the Harvard Graduate School of Business, and the Columbia University Law School. He was admitted to the bar in 1948. Mr. McKay served as Associate General Counsel and Assistant Secretary of the Sperry Rand Corp. from 1950 to 1956, when he joined Socony Mobil.

Garvin, Bantel To Admit Partner

Garvin, Bantel & Co., 120 Broadway, New York City, members of the New York Stock Exchange on July 1 will admit John D. DeSimone to partnership. Mr. DeSimone has been with the firm for some time specializing in insurance loans.

Mitchel, Schreiber To Admit to Firm

Mitchel, Schreiber, Watts & Co., 20 Broad Street, New York City, members of the New York Stock Exchange, on July 1 will admit James A. Purviance, a member of the Exchange, to partnership.

Stern Brothers Co. Names Olander

KANSAS CITY, Mo.—J. Willard Olander, Jr. has been elected Vice-President in charge of Institutional Sales by Stern Brothers & Co., 1009 Baltimore Avenue, members of the Midwest Stock Exchange. Mr. Olander has been with the firm for some time.

Ebin, Robertson & Co.

(Special to THE FINANCIAL CHRONICLE)

MINNEAPOLIS, Minn.—Ebin, Robertson & Company Inc. has been formed with offices in the First National Bank Building, to engage in a securities business.

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Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

There are indications that purchases of government bonds are increasing, with institutional investors showing an enlarging interest in the 3 7/8s due 1971 as well as the 3 1/2s due 1990. It is reported that commercial banks have been among the prominent buyers of the 1971 bonds. This is being attributed to the belief that rates in the capital market will ease somewhat from the levels that have been prevailing. Accordingly, this not too long government bond is coming in for more of the investors' money.

Short-term rates, despite the increased offerings of Treasury bills by the government and the expectations that the new money raising operations will be done almost entirely in the money market, are showing very few signs of wanting to move up. The reason being the large amount of money seeking near-term liquid obligations.

Banks Extending Portfolio Buying

The caution which appears to be present in the market for fixed income bearing obligations is attributed to the uncertainty which surrounds the equity market and the international financial situation. It is evident that purchases of government bonds goes on at an increasing rate but these commitments are being made mainly in short-term and intermediate term issues for protective purposes largely.

It is indicated that funds which would be seeking an outlet in other than fixed income issues are being put to work in Treasury bills, with commercial banks now making purchases of selected middle-term maturities of governments. It is reported that the deposit institutions are making these commitments in certain intermediate-term Treasury securities because loans have not shown the expected pick-up. They are not inclined to move away from government obligations with this

money since there is greater liquidity and breadth in the market for the more popular middle-term maturities of Treasuries. It appears as though these institutions, by making purchases of the intermediate-term obligations, are getting a bit more effective use of their funds than would be the case if they were invested in shorter maturities. Also the near-term positions of these banks, according to advices, are considered to be adequate to meet future conditions.

Investing Psychology Geared to Stock Market Decline

The sharp and severe decline of the stock market, to say the least, is causing considerable concern in the financial district since there is the important question as to how the economy will be affected by this downturn in prices of equities. The immediate answers to this question appear to be very much on the favorable side since it is pointed out that the business pattern will continue to show progress and the economy will move ahead if at a slower rate. This may turn out to be so, but it will take time to prove it.

As against these predictions are the opinions of some of the financial community that the very drastic decline in the stock market will bring about a recession in business and the economy will turn down. It will be a matter of time again to prove these ideas right or wrong.

In the interim, it would not be too surprising if more and more investors were to be influenced by the question as to whether or not the economy will continue to move ahead or turn down. This would appear to call for at least a part of the investible funds being put to work in the most liquid type of obligations, namely short-term government issues. For those who must have a higher return and a long-term security, it would seem as though government bonds as well as selected corporate is-

sues should come in for a larger part of the investors' dollars.

Some Pertinent Questions

The international financial situation is beyond doubt a very important point of uncertainty as far as our security markets are concerned since there is more than a passing amount of interest as to what will happen to the dollar and our gold holdings. Also, if the economy turns down, will the government be able to take effective measures to revive it as they have done in the past because of the unfavorable balance of payments? Will the government be in a position to lower interest rates this time as they have in the past because of the precarious position of the dollar and the loss of gold that might take place?

\$100 Million Issue Of California Bonds Marketed

Bankers Trust Company, The First National Bank of Chicago and Halsey, Stuart & Co. Inc. are joint managers of the group that publicly offered on June 14 an issue of \$100,000,000 State of California 3/4, 3, 3 1/4, 3.30, 3.40 and 5% veterans' bonds, series CC, at prices to yield from 1.80% for those due in 1964 to 3.40% for the 1986-87 maturities and 4.35% for the 1/4% bonds due in 1988. The group was awarded the issue at competitive sale on a bid of 100.0347 for the combination of coupons, a net interest cost of 3.2075079%.

Rated Aa by Moody's and AAA by Standard & Poor's, the bonds are full faith and credit general obligations of the State.

Miss. Valley Secs.

EFFINGHAM, Ill.—Mississippi Valley Securities Company Inc. has been formed with offices at 208 East Fayette Avenue to engage in a securities business. Officers are Edward W. Niemeyer, President; M. E. Niemeyer, Secretary and Treasurer, and Dorothy B. Gorman, Vice-President. Edward Niemeyer was formerly with Townsend, Dabney & Tyson and Stifel, Nicolaus & Co. Inc.

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NEWS ABOUT BANKS AND BANKERS

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

The promotion of nine men to Assistant Treasurer was announced June 20 by President David Rockefeller of the Chase Manhattan Bank, New York.

Six of the men are in the Bank's metropolitan department. They are Henry H. Beckler, Louis Brethauer, Thomas A. Conlin, Charles A. Craig, Jr., Michael P. Fitton and James K. Loverude.

The other three men are Elemer T. Balogh and Timothy J. O'Keefe, both of the international dept., and Thomas E. O'Reilly of the corporate plans and staff department.

The bank also announced the appointment of two men as organization officers in the corporate plans and staff department. They are George S. Conn and William J. Greenwood.

Daniel F. Hynes, Jr. has been named legal officer of Chemical Bank New York Trust Company, New York it was announced by Chairman Harold H. Helm.

First National City Bank New York observed its 150th birthday June 16, commemorating a history of service which began in a modest, colonial building on Wall Street, as a young nation faced the storm clouds of the War of 1812.

To mark the occasion, the Bank has commissioned a bronze medalion, conceived by the world-famous Spanish sculptor, Enrique Monjo. At its permanent educational exhibit, "The Story of Banking", at 399 Park Avenue it will feature a replica of a portion of the bank's first quarters at 52 Wall Street with the staff in typical period costume.

On June 16th 1812 a group of New York businessmen met to form the City Bank of New York. Samuel Osgood, became President of the new bank.

Since that day 150 years ago, the Bank has served the City, the Nation, and the international business community through thirteen major depressions and seven wars; changing with the needs of the times, increasing its usefulness.

First dividend was paid in 1813. Dividends have been paid each year since without interruption.

Established under a New York State Charter in 1865 the Bank became The National City Bank of New York under the newly-passed National Banking Act.

Today the Bank has 87 branches in 30 countries and worldwide correspondent bank relationships serving every important commercial area of the free world.

The bank in 1929 became affiliated with the Farmers Loan and Trust Company, which was established in 1822.

In 1934 conformity with the Banking Law of 1933 the Bank discontinued the investment banking business which had been conducted through The National City Company.

In 1955 the Bank merged with the First National Bank of the City of New York and became The First National City Bank of New York, since shortened to First National City Bank.

The bank's worldwide staff now exceeds 20,000; of these 13,000 serve domestically, 7,000 overseas; 3,400 are members of the Quarter Century Club. With this skilled group the Bank faces the future with confidence.

Appointment of Samuel W. Meek, Jr., as an Assistant Vice-President of Morgan Guaranty Trust Company of New York was announced

June 18 by Henry C. Alexander, Chairman of the Board. Mr. Meek is in Morgan Guaranty's international banking division.

Mr. Meek was formerly a Vice-President and Secretary of the State National Bank, Stamford, Conn.

The new Uptown Office of the Excelsior Savings Bank New York will officially open for business on June 23rd.

This office, which is located at 3381 Broadway, at the north-west corner of 137th Street and Broadway.

The consolidation of The Peconic Bank, Sag Harbor, L. I., into Security National Bank of Long Island will become effective at the close of business on June 22 it was announced by Herman H. Maass, President of Security National.

Stockholders of The Gramatan National Bank and Trust Company of Bronxville, N. Y. and The County Trust Company, White Plains, N. Y., June 13 approved plans to merge the two banks, according to an announcement received today from Jackson Chambers, President of The Gramatan National Bank, and William L. Butcher, Chairman, and John A. Kley, President, of The County Trust Company.

Subject to approval by both the Superintendent of Banks of the State of New York and the Federal Reserve Board, the merger agreement, as ratified by Directors of the two banks on April 24, calls for the issuance of 1.15 shrs. of County Trust stock for each of the 75,000 outstanding shares of the Gramatan Bank's capital stock. Plans are to consolidate under the name and charter of The County Trust Company.

On March 31, 1962, The Gramatan National Bank and Trust Company had total resources of \$18,021,289 and deposits of \$16,500,288, while The County Trust Company reported resources and deposits, respectively, of \$563,135,847 and \$509,869,266.

William F. MacDonald, Jr., regional Vice-President of The County Trust Company, White Plains, N. Y. has been designated Vice-President, administration.

Vincent J. Nielsen, officer in charge of The County Trust Company's Elmsford office also was promoted from Assistant Treasurer to Assistant Vice-President.

State Bank of Albany, Albany, N. Y., elected Walter A. Giles, a Director. He succeeds Benjamin H. Oliver, Jr., who resigned.

A regular semi-annual dividend of 25c per share, and a 2½% semi-annual stock dividend will be paid by the Commercial Bank of North America, New York on Aug. 7, to stockholders of record on July 9, G. Russell Clark, Chairman, announced June 13.

He said that fractional shares will not be issued, but arrangements will be made for stockholders to buy or sell additional fractions to make a whole share, and orders will be sent to all stockholders.

Hartford National Bank Trust Co., Hartford, Conn. elected Robert B. Sherwood a Vice-President, effective Aug. 1.

Edward W. Varnum and Frank Cooke were elected Advisory Directors of the North Brookfield office of the Worcester County

National Bank, Worcester, Mass. Mr. Varnum is a Trustee and Clerk of the North Brookfield Savings Bank, North Brookfield, Mass.

Mr. Cooke is a Trustee of the North Brookfield Savings Bank.

State National Bank of Connecticut, Greenwich, Conn., elected Michael A. Pia a Vice President.

Clyde A. Zukswert has been named a member of the Florham Park Advisory Board of the Trust Company of Morris County, Morristown, N. J.

He has served with the First National Bank of Madison and the Union National Bank of Newark.

Fidelity-Philadelphia Trust Co., Philadelphia, Pa., elected William W. Allen III, T. Anthony Coculo and William E. Vauclain Vice Presidents.

Windber Trust Company, Windber, Pa., has changed its title to Windber Bank and Trust Company.

The Board of Governors of the Federal Reserve System on June 13 announced its approval of the merger of Citizens Bank of Chesterfield, Bon Air, Virginia, into Southern Bank and Trust Company, Richmond, Va.

Mrs. Florence Warnke was elected first President of the newly organized Quarter Century Club of The Ohio Citizens Trust Company, Toledo, Ohio. Other officers are William H. Bostelman, Treasurer; Ellen Fisher, Secretary; and Arthur B. Bare, Vice-President. They were joined by 16 co-workers and five retirees at the initial meeting May 23.

The University Circle Office of National City Bank, of Cleveland, Ohio, raised from Assistant Manager to Manager Byron J. Albrecht, who previously was Assistant Manager of National City's Babbitt-Lake Shore Office. L. Jones Ackerman, Manager at the University Circle Office since 1959, has resigned.

The Board of Governors of the Federal Reserve System on June 8 approved the application of The Bank of Wood County Company, Bowling Green, Ohio, to merge with The Perrysburg Banking Company, Perrysburg, Ohio, under the charter and title of The Bank of Wood County Company.

The Board of Governors of the Federal Reserve System on June 8 announced its approval of the consolidation of The Bank of Wood County Company, Bowling Green, Ohio, with The Perrysburg Banking Company, Perrysburg, Ohio.

Union Trust Company, Greensburg, Ind., has changed its title to Union Bank and Trust Company of Greensburg.

American National Bank & Trust Co., Chicago, Ill., elected John Peter Trenholm and Robert P. Abate Vice Presidents.

Central National Bank in Chicago, Ill., announced that Raymond G. Ruge of its Investment Division has been appointed Assistant Cashier.

Harold H. Swift, for many years a director of Harris Trust and Savings Bank, Chicago, Ill., died June 8. Mr. Swift, who was 77, served on the Harris board from 1919 to 1955.

Directors of The First National Bank of Chicago, Ill., authorized the transfer of \$5,000,000 from Undivided Profits to Surplus. As a result of this action, The First National Bank will have a Surplus of \$160,000,000 and Capital

of \$150,000,000, a total of \$310,000,000.

The Board of Directors of the Michigan Bank, Detroit, Michigan announced that Stanford C. Stoddard, now Executive Vice President was elected President. However, Mr. Howard J. Stoddard, Chairman of the Board and who also has the same position with the Michigan National Bank, remains as the Chief Executive Officer.

Mr. Frank R. Welsler who has been with the Bank since 1956 was elected Vice President and Cashier.

The Bear Butte Valley Bank, Sturgis, South Dakota, and the American National Bank of Rapid City, Rapid City, South Dakota, consolidated under charter and title of American National Bank of Rapid City, effective June 7.

King Bostock, former President of Farmers & Merchants State Bank, Tulsa, was elected a Senior Vice President of the National Bank of Tulsa, Oklahoma. He succeeds C. T. Everett who is retiring.

The First National Bank, Fort Worth, Texas, elected Preston Uterback a Vice President and Trust Officer.

Byron W. Cain, has been elected Vice-President and Controller of First National Bank in Dallas, Texas.

Mr. Cain, will be in charge of the bank's newly formed controller's division.

First National Bank of Holbrook, Holbrook, Ariz., elected F. J. Jennett a Senior Vice-President.

The Security First National Bank, Los Angeles Calif., elected William E. Seigel Executive Vice-President, banking, Chairman of the Executive Committee. He succeeds Elden Smith, who resigned. Mr. Smith will continue as Vice-Chairman and as a member of the managing and executive committees. Edmund F. Schneiders, Senior Vice-President, was also made Assistant to the Chairman.

Continental Bank, Los Angeles, Calif., has completed an additional capitalization of \$2,850,000 for a total capital funds account of \$4,365,000.

Subscription warrants for the added issue were made available to stockholders of record on or before April 23, on a basis of one share for two at a purchase price of \$30 per share.

The bank's original issue of 101,000 shares for a capitalization of \$1,515,000 has now been increased by 95,000 shares to a current total of 196,000 outstanding.

W. Norman McLeod has been elected a Vice-President of the Bank of Nova Scotia, Toronto, Canada.

Mr. McLeod has been a Director of Scotiabank since 1947.

S. Van Elgort Secs.

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—S. Van Elgort Investment Securities Inc. has been formed with offices at 465 South Beverly Drive to engage in a securities business. Officers are Sam Van Elgort, President and Treasurer, and Mary Van Elgort, Vice-President and Secretary. Mr. Van Elgort was previously with R. J. Wish & Co.

Now E. B. Fleming Co.

ABINGTON, Pa.—E. B. Fleming Co. has been formed to continue the investment business of Fleming & Co., 1150 York Road. Officers are Eugene B. Fleming, President and Treasurer, and E. A. Fleming, Secretary.

Am. Nat'l Bank Appointments

CHICAGO, Ill.—Three promotions and six new official appointments have been approved by the Board of Directors of the American Na-



John Peter Trenholm Robert P. Abate

tional Bank and Trust Company of Chicago, Lawrence F. Stern, Chairman, announced.

John Peter Trenholm, former Assistant Vice-President, was promoted to Vice-President in charge of the bank's Securities Research Division, and Robert P. Abate was advanced to Vice-President, heading the Industrial Division. Also in the Industrial Division, John T. Gerlits, director of machinery and equipment financing operations, was promoted to Assistant Vice-President.

New appointments included Peter W. Haab, who was made an Assistant Cashier, Commercial Lending Division, and Mario N. DiFlavio named Assistant Cashier in charge of the Home Improvement Section, Industrial Division.

A. Frederick Pitzner and Benjamin H. Eimstad, both in the bank's recently-formed Electronic Data Processing Division, were also appointed Assistant Cashiers.

In the Trust Department, Joseph L. Finnegan was advanced to Assistant Trust Officer in the Custodian Division, and Perry G. Callas was appointed Assistant Trust Officer in the Land Trust Division.

Abbott, Procter To Admit to Firm

Abbott, Procter & Paine, 2 Broadway, New York City, members of the New York Stock Exchange, on July 1 will admit Lawrence E. Holligan, George Stames, Robert H. Mitchell, Jr. and Kenneth N. Gilpin, Jr. to partnership. Mr. Stames will make his headquarters in the firm's Richmond office, 911 East Main Street.

Also on July 1, Daniel H. Ryan, a general partner in the firm, will become a limited partner.

Dishy & Co.

Dishy & Co., members of the American Stock Exchange, are engaging in a securities business from offices at 40 Exchange Place. Partners are Bernard R. Dishy and George Pollack, general partners, and Harry Hammerman, Bernard S. Schwartz and Daniel M. Lipshutz, limited partners. Mr. Dishy was formerly with Kalb, Voorhis & Co. and Herman & Diamond. Mr. Pollack was with Bruns, Nordeman & Co.

Named Director

Paul W. Havener, President of Havener Securities Corporation, New York City, has been elected a director of Standard Instrument Corporation.

Jackson Capital Corp.

Jackson Capital Corporation is engaging in a securities business from offices at 400 Madison Avenue, New York City. Officers are Marvin Wolfson, President; D. S. Greenberg, Vice-President, and Marvin Jaret, Secretary and Treasurer.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

The Positive Approach

The consistently successful, career security salesman, has learned that his own attitude toward his work should always be one of **CONSTRUCTIVE OPTIMISM**. This is a very important factor in every approach to challenge; and it should be placed at the very beginning of the list of essential qualifications for a successfully directed, day in and day out, building of a clientele of investors. It is well recognized that everyone, to a greater or lesser degree, is influenced by the thinking and actions of those around them. The security salesman is one of the prime targets for all who would wish to relieve themselves of overdoes of both optimism and pessimism. He must recognize that he is engaged in a business that at times is very volatile, and that he is constantly in contact with people who may unconsciously motivate him. Following are some thoughts on this subject that may be particularly pertinent at this time:

(1) **Know where you are going.** Don't look at your job from day to day, or week to week. The investment security business will be with us as long as we have private ownership of property. There will be investors, speculators, and markets that will fluctuate for many years to come. No one can accomplish the constructive, necessary and rewarding actions that are part of each day's activities, if he is bothered by reservations, doubts, and temporary pessimism about the validity and importance of his endeavors. There are millions of (individual) investors in this country; about twice as many as there were 20 years ago. There will be millions more in the years ahead. There are opportunities everywhere, in every type of market, both to help these people and to earn a very worthwhile living doing it. During times when a fog of emotion is surrounding and obscuring this pertinent reality, it is essential that day-to-day activities are always pointed in the direction of the longer range goal—which is constructing, and assisting a clientele of investors in the years ahead.

(2) **Do your best today.** If you can keep the longer view firmly in focus, then you will also approach you desk, you clients, your prospects, and everything else you do everyday with a constructive attitude. If you think about your business over the longer term, then you will put your most constructive thinking and actions into each day's activities. You will not worry about the market, the future of the human race, your personal problems, or other distractions. You will go to work. This is the best therapy indicated for any type of negative emotionalism. You will contact clients who may be worried about their securities now, you will analyze their holdings, you will consult with them, and take the constructive approach to bettering their investment position. You will plan and carry out ideas for creating new business now, next month, this fall. You will write the letters that should be written. You will refrain from wasting your time on matters that do not concern you.

Your clients, your prospects, your "time," are all important. A busy day is a happy day—regardless of the immediate results. The things you do right today, the people you meet, the contacts you make, the clients you help, the attitude you assert toward TODAY, if it is positive, optimistic,

and constructive, will rub off on others. It is your best advertisement to those around you that you are a responsible, sensible, and practical securities man, who can be trusted to help others make decisions that will be rewarding to them.

(3) **Avoid complainers, time wasters and work dodgers.** Everyone who works in almost any type of business is constantly exposed to people who want to relieve themselves of their inner tensions by gossiping, complaining and creating conversations about the sad state of the world. This also is a human failing and I doubt if anyone who has lived a few years hasn't personally indulged in this pastime. But there are some salesmen who are chronic addicts to this sort of thing. Avoid them, and go your own way. "Time" is your very valuable asset, don't let anyone waste it for you, especially if their suggestions and observations are negative, destructive, critical, and unimportant. A "sales meeting" is the place to develop ideas for improving business and eliminating frictions in the operations of a selling organization. Not the "coffee break," the luncheon table, or idle chat around the office.

Classic Examples

Last week, for example, one salesman sent out a hundred letters to prospects who were in the higher income brackets. These letters recommended four very sound common stocks with a short description of each, that were selling at a substantially more attractive level than a month ago. He opened one new account with a very large investor, he received letters from others thanking him for keeping them in mind.

Another salesman went over his list of municipal accounts. He selected five people who had not given him an order in over a year. He carefully studied his offering list and selected a bond that was providing a higher yield than other bonds in the same locality, but with a similar rating. One of these inactive customers gave him an order and asked him to look up some other securities for him. The others were pleased to hear from him again.

Another salesman called certain of his customers who had substantial losses in a particular issue that he believed was very oversold. They bought more and will take TAX LOSSES on the first lot later in the year. In this way they will have more flexibility in working out their tax situation rather than waiting until November to make decisions regarding this item.

Some people will not make decisions unless they have been given an emotional charge that is so violent that at last they will act. Usually the results of these decisions are not very satisfactory. When there was a sharp break in several key stock last week, another salesman suggested to a client that he sell two stocks that were still at a level that would provide a substantial profit to the customer, then hold the cash in short-term securities, and reinvest in a comparable quality stock at a later date. The client already was aware that his commitment in the two stocks that were sold was too large and out of line with the rest of his portfolio. The sharp break in the market provided the impetus which convinced him that he should finally take the step that was better from an investment viewpoint.

Keep our eyes on the longer

view — building and keeping a productive clientele. Live for today, by working today as constructively as possible. Try to keep out of conversations with those who think negatively. Turn your own thoughts to constructive activities.

The Security I Like Best

Continued from page 2

up in residential construction in the company's service area, the improvements which brought about the nonrecurring expenses are now paying off in the form of greater earning power and certain changes made in the concrete division should strengthen their competitive position. The effect of these factors can be seen in the company's first quarter results for 1962—sales were \$29,465,000 up 9% and net income was \$49,171 compared to a loss of \$105,333 for the same period last year. This is tangible evidence that Boise's program of integrated growth, which is now approaching a stage of initial maturity, is resulting not only in higher sales but more importantly in higher earnings. Based on the factors outlined, it is my opinion that Boise Cascade's earnings per share for 1962 will be up substantially over those reported last year, and show further gains in the years to come.

Traded in the Over-the-Counter Market, the stock of Boise Cascade currently sells around \$17 a share. The present annual dividend rate of 40 cents a share provides a modest return of 2.3%. Based on the improving earnings picture the stock is recommended for individuals and institutions whose primary objective is capital appreciation.

Ormsbee V.-P. of Stern Brothers

DENVER, Colo.—Jack E. Ormsbee has been elected a Vice-President of Stern Brothers & Co. of Kansas City and will be manager of their



Jack E. Ormsbee

newly opened branch in the American National Bank Building. Mr. Ormsbee was formerly with Peters, Writer & Christensen, Inc.

Form Capital Research

NORTH MIAMI BEACH, Fla.—Capital Research Corporation is engaging in a securities business from offices at 1110 Northeast 163rd Street. Officers are Vida Berkowitz, President; Marion C. Berkowitz, Vice-President; S. Harold Stein, Secretary; and Jane Stein, Treasurer. Mr. Berkowitz was formerly with Harris, Upham & Co. and Herzfeld & Stern.

With L. A. Caunter

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Stuart Spiro is now with L. A. Caunter & Co., Park Building.

K. W. Brown Opens

SAN ANGELO, Texas—Kenneth W. Brown is engaging in a securities business from offices in the Central National Bank Building.

BANK AND INSURANCE STOCKS This Week — Bank Stocks

NATIONAL BANK OF DETROIT—

The National Bank of Detroit was chartered during the bank holiday of 1933, and was the first bank to be chartered under the Roosevelt Emergency Banking Act. It had initial capital of \$25 million—half of which was supplied by the R.F.C. in return for a 6% preferred stock. The other half was provided at the government's request by General Motors Corporation in exchange for common stock. General Motors disposed of its holdings in 1945, and the remainder of the preferred was retired in 1947.

Immediately following organization, the National Bank of Detroit purchased \$131 million, or 22% of the assets of the First National Bank of Detroit, and the Guardian National Bank of Commerce, which had been forced to close. The closing of the banks had left Detroit without banking facilities for almost six weeks.

The problems facing the bank were numerous, including the acquisition of competent management, and also the building of capital to a point where the bank could meet the credit needs of the area.

Although the bank is to provide commercial banking facilities, loans have historically been low relative to deposits. Currently, they are approximately 33%, which is well below the normal 55% range for the major commercial banks. Mortgages have always been important to the bank, and currently run close to 20% of the total loan portfolio. In addition, consumer credit and installment loans are important contributors to the bank's earnings. The installment loan department dates back to 1945, which indicates forward planning on the part of management.

Michigan laws permit branching within a 25-mile radius of the main office. This allows the National Bank of Detroit to compete in Wayne, Macomb, and Oakland Counties, as well as within the city. With 68 offices in the area, the bank not only has the greatest coverage, but also remains, by far, the largest bank in Michigan. Possible amelioration of the branching laws in the state should bring about expansion into areas not dominated by the automotive industry.

The principal reason for a relatively low price earnings ratio has been the somewhat slow earnings growth relative to other major commercial banks on a per share basis. Some of this slow growth may be attributed to stock sales and also issuance of stock in the acquisition of other banks. Currently the capital account is in good condition and no further stock sales are expected.

On the basis of the current market price of \$50, the shares are selling at the lowest level since 1958. Although the expectation is for lower earnings in 1962, the additional cost of interest expense should be readily absorbed over the next year due to an active mortgage department. On the basis of the earnings multiples the stock is selling at the lowest level in many years. With a low dividend payout the stockholder should be well compensated over the long run.

The one remaining favorable factor regarding this bank is the management. It may be said that it is well regarded, young and aggressive. This qualitative factor of management is one aspect in bank analysis which is often overlooked, but, none the less, is essential for satisfactory performance over the long run.

PER SHARE FIGURES

	Net Operating Earnings	Cash Dividends	Book Value	Price/Earnings Ratio Based on Median Price
1962-----	\$4.60	\$2.00	\$45.00	11.0
1961-----	4.79	1.94	48.11	15.0
1960-----	5.05	1.78	45.97	11.1
1959-----	4.53	1.74	43.31	12.9
1958-----	4.20	1.61	41.10	13.8
1957-----	4.18	1.61	39.12	15.2

* Estimated. † Current.

GROWTH (In Thousands)

Year End	Deposits	Capital Fds. Excl. Res.	Capital Fds. as % of Dep.	Net Oper'g Earnings	Cash Divs. Declared	Divs. as % of Earnings
1961-----	\$1,983,726	\$173,195	8.7%	\$17,236	\$7,000	40.6%
1960-----	1,903,895	165,490	8.7	18,182	6,100	35.2
1959-----	1,785,826	155,895	8.7	16,317	6,249	38.3
1958-----	1,766,261	147,982	8.4	15,120	5,795	38.3
1957-----	1,803,198	140,821	7.8	15,048	5,785	38.5
1956-----	1,854,253	135,108	7.3	13,968	5,200	37.2

NATIONAL AND GRINDLAYS BANK LIMITED

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(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Frank J. Clough is now with Birr & Co., Inc., 155 Sansome Street, members of the New York and Pacific Coast Stock Exchanges. Mr. Clough was previously with Seligren Miller & Co., Inc.

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MUTUAL FUNDS

BY JOSEPH C. POTTER

Washington Tapeworms

WASHINGTON, D. C. — Carrying people's capitalism right up to the front door of the White House, Merrill Lynch, Pierce, Fenner & Smith yesterday opened a branch office in Lafayette Park. Inaugural ceremonies were attended by President Kennedy, who was permitted to make the first purchase of stock; Cabinet members and economic advisers; Keith Funston, President of the New York Stock Exchange; James J. Johnston, Chairman of the Board and President of Washington Mutual Investors Fund, and Charles H. Schimpff, investment adviser to that fund and President of the Investment Company Institute.

Mr. Funston snipped the ceremonial ribbon at the entrance to the one-story steel-and-glass building shortly before 10 a.m. In a brief address, he noted that President Kennedy, Secretary of Treasury Douglas Dillon and other Administration aides had been spending part of each working day checking the stock market, and he complimented Merrill Lynch on providing "a rounded service" for Government officials. "People's capitalism," he asserted, "must be carried to all our segments of our society."

Edward McCormack of Boston, nephew of House Speaker John McCormack, is resident manager of the new branch. Complimented on the decor by the President, the office chief said that while it was nice to get to Washington, "the Senate Office Building is not in view from here."

McCormack executed the President's buy order. Approached by a reporter for *The New York Herald Tribune*, the President disclosed he had bought 100 shares of United States Steel. Asked further why he chose Big Steel, Mr. Kennedy replied: "I was tipped by my friend, Roger Blough."

The President, however, made it abundantly clear that he was not relying merely on tips. "As I have said before," he remarked, "a 23-to-1 price-earnings ratio is too high. Mr. Dillon has said 15 times earnings is all right. And Steel meets our guidelines."

The Chief Executive was interrupted repeatedly by his small daughter, Caroline, who pleaded: "Daddy, buy me something."

A society reporter for *The Washington Post* sprang forward with a lollypop, but she was elbowed aside by Mr. Johnston and Mr. Schimpff. "You should open a share-accumulation account so as to be sure that the money'll be there when the moppet is ready for Radcliffe," said Mr. Johnston.

"I don't need advice on the market," the President replied, "but I suggest you talk to my Secretary of Agriculture, Orville Freeman."

"We did," said Mr. Schimpff, "but he tells us he's locked in with Commercial Solvents."

"How about Dillon and Secretary of Defense McNamara?" the President inquired.

"Dillon says he turned his back on Wall Street a long time ago," Johnston shot back. "And we talked to McNamara too. But he says he missed the boat in Ford and is sour."

The pair also were turned down by Secretary of Labor Arthur J. Goldberg, who told them he fancied the steel industry. Informed by Mr. Johnston that Washington Mutual Investors carried in its portfolio well over a million dollars' worth of steels, including Armco, Harbison-Walker Refractories, Republic and Youngstown Sheet & Tube, Mr. Goldberg

scoffed: "Come back and negotiate with me when you get some inland."

Vice-President Lyndon B. Johnson, however, showed considerable interest when the fund spokesmen noted they had tucked into the portfolio no less than eight high-grade oils. Said the Vice-President in a voice that was barely audible: "There are a lot of things on which I don't see eye to eye with the Administration—and the price-earnings ratio is one of them. Down in Texas we dig cash flow pretty good. I guess the President's father never told him about depreciation and depletion allowances."

At this juncture Resident Manager McCormack, getting off a high stool from which he had been trying to see the Senate Office Building, began shooing the fundmen away. Said he: "Those guys ought to know Merrill Lynch isn't running this business for mutual funds."

Finding themselves on the sidewalk, Mr. Johnston and Mr. Schimpff introduced themselves to Attorney General Robert Kennedy. After listening only briefly to their sales pitch, he poked each in the chest with an index finger and said: "You ain't told me a thing that sounds as good as the Merchandise Mart."

They were last seen approaching representatives for Skidmore, Owings & Merrill, the architectural firm that designed the brokerage office on the fringe of Lafayette Park. An architect told reporters: "The building is late 1929 and is designed to imbue patrons with humility. And if you don't like the design or the action of the market, you can go jump in the Potomac."

The Funds Report

Axe-Houghton Fund B in its semi-annual report puts total net assets at April 30 at 178,602,531, compared with \$173,153,760 a year earlier. Net asset value per share at the close of the latest reporting period was \$8.82, against \$9.25 on Oct. 31, 1961, close of the fiscal year.

Investor purchases of the **Group Securities** mutual funds in May were \$2,660,347, slightly more than double the May, 1961, level, according to Herbert R. Anderson, President. Share redemptions were "near a two-year low," it was reported.

Incorporated Income Fund reports that at April 30 total net assets amounted to \$125,309,114, or \$9.72 a share, compared with assets of \$127,070,775 and \$9.74 per share on Jan. 31. During the three months ended April 30 the company increased holdings of Armco Steel, Ashland Oil & Refining, Atlantic Refining, Bethlehem Steel and Socony Mobil Oil while decreasing holdings in American Viscose, Eaton Manufacturing and Harsco. It eliminated American Motors, Boston-Edison and Mack Trucks.

Sales produced in May by **Investors Diversified Services, Inc.** and its subsidiary, **Investors Syndicate Life Insurance & Annuity Co.** hit a record high. Grady Clark, President, announced. Combined sales of investment securities and life insurance amounted to \$160,578,518, exceeding by more than \$15.5 million the quota set.

Dollar volume of sales of shares in five mutual funds for which **IDS** is national distributor and investment advisor totaled \$54,737,071 for May, compared with \$48,811,635 in the like 1961 month.

Investors Planning Corp. of America completed its ninth year in business with substantially higher weekly sales, although the monthly total was below the all-time May high of 1961, Walter Benedick, President, reports. He said business written came to \$3,398,000 during the last week of May, raising the total for the month to \$13,313,000. This compares with \$14,177,000 in April and \$16,729,000 in May, 1961. Company sales through May 31 totaled \$75,415,000, against \$77,566,000 for the first five months of last year.

Investors Stock Fund, Inc. in its semi-annual report puts net assets applicable to shares of outstanding capital stock at April 30 at \$993,527,761, against \$978,730,731 at Oct. 31, 1961. Net asset value per share of outstanding capital stock was \$18.41 on April 30, down from \$19.93 six months earlier.

Semi-annual report of **Nucleonics, Chemistry & Electronics Shares** lists changes in investments in the fiscal half-year ended May 31. New investments: Admiral Corp., Circuit Foil Corp., Tokyo Shibaura Electric, Cities Service convertible preferred and Litton Industries convertible subordinated debentures. The company as the same time increased holdings of American Cyanamid, Emerson Electric, International Minerals & Chemical, Nuclear Chicago Corp., Chas. Pfizer, Radiation Instrument Development Lab, Robertshaw-Fulton Controls and Rohm & Haas. It eliminated Elgin National Watch, Litton Industries, National Video, Texize Chemical and Ventures, Ltd.

Puritan Fund reports that at April 30 total net assets were \$123,067,040, or \$8.17 a share. At Jan. 31 assets amounted to \$123,413,264 and value a share was \$8.54. On April 30, 1961, assets were \$101,960,911 and share value was \$8.40. During the quarter the fund bought Rayonier and sold Allied Mills, American Tobacco, Philip Carey, Curtiss-Wright, Hilton Hotels, National Tank and Upper Peninsula Power.

For the six months ended April 30, **Wellington Management Company** and subsidiaries had net income of \$704,555, equivalent to 78 cents per share of common stock outstanding. It was announced by Walter L. Morgan, President, in a report to shareholders. This compares with net income of \$526,741, or 58 cents a share, for the first half of the previous fiscal year.

Assets of **Wellington Fund** and **Wellington Equity Fund**, the two funds managed and sponsored by Wellington Management Company, increased \$118,000,000 during the 12 months ended April 30, 1962 and totaled \$1,462,000,000 at the end of the period.

For the six months ended April 30, 1962, sales of shares of the two Funds totaled \$98,580,000, an increase of about \$22,000,000 over sales in the first half of the previous fiscal year.

Discussing the current outlook, Morgan stated that "the market readjustment that has taken place over the last several months, in our judgment, reflects a more realistic evaluation of common stock prices. We believe that the changes in common stock prices, on balance, have resulted from a lessening of speculative enthusiasm and some decline in investor confidence, rather than the forecasting of a substantial downturn in the business cycle. Periodic market corrections are not unusual and, indeed, are a basic part of the challenge of investing."

"In recent weeks we have recommended a selective stock purchase program for the two funds we manage, to take careful advantage of current buying opportunities. This policy reflects our confidence in the future."

Midwest Exchange Names Kiley

CHICAGO, Ill.—Eugene J. Kiley has been appointed head of the listing department of the Midwest Stock Exchange, it has been an-



Eugene J. Kiley

nounced by James E. Day, President.

Prior to joining the Exchange, Mr. Kiley was in the bond department of Northern Trust Co., and with Joseph T. Ryerson & Son, Inc., Chicago.

Toledo Analysts Elect Officers

TOLEDO, O.—Benedict J. Smith, Vice-President of The Ohio Citizens Trust Company, was elected 1962-63 President of Financial Analysts of Toledo at its June 5 meeting. He succeeds Howard W. Wilson, Vice-President of the National Bank of Toledo.

Other officers are Dr. Hubert H. Frisinger, professor of finance at the University of Toledo, Vice-President; and James E. Lupe, assistant secretary of The Toledo Trust Company, Secretary-Treas.

Founded in 1956, the organization is composed of trust department officials from Ohio Citizens, National Bank and Toledo Trust, corporate and brokerage firm analysts, TU and Bowling Green State University finance professors.

Purposes of the Financial Analysts group are to foster the interchange of information and opinions among its members and to promote meetings designed to add to the knowledge of its members.

Named Director

J. Richardson Dilworth, investment banker and President and Director of Rockefeller Brothers, Inc., has been elected a Director of Chrysler Corporation, it was announced by George H. Love, Chairman, after the Board's meeting in New York City.

Mr. Dilworth was with Kuhn, Loeb & Co., investment bankers, for 12 years, seven as a partner in that firm, before joining the Rockefeller brothers' organization in 1958. He is a director of International Basic Economy Corporation, Chase Manhattan Bank, R. H. Macy & Co., Youngstown Sheet & Tube Company, Rockwell Manufacturing Company, United Nuclear Corporation, and several other corporations.

R. A. Falk Joins Kirkpatrick Co.

OMAHA, Neb.—Robert A. Falk is now associated with Kirkpatrick-Pettis Company, Omaha National Bank Building, and a member of the Midwest Stock Exchange. For the past three years, Mr. Falk has been an analyst in the investment department of the Empire Trust Company, New York City.

His father, Carl A. Falk, has been in the investment business in Omaha for 30 years, is Vice-President of Kirkpatrick-Pettis and is currently serving as a Governor of the Midwest Stock Exchange.

Reviewing the Bases for Investing Opportunities

Continued from page 1

do with a tradition, a position, and the mildly competitive nature of many of their services. That appropriate differentiations were not made between the quasi-monopolistic companies and the competitive ones is unfortunate, and these are now being sorted out.

Many new companies appeared on the market in the vacuum created by an avid demand for all sorts of securities, particularly new issues, and these had their day and now their decline.

Inflation Fears "Waterloo"

The enthusiasm for equities as an antidote to inflation was confirmed by two major developments in the post-war period. First, from 1946 to 1958 securities by and large were revalued to reflect rising earnings and paralleled the explosion of the inflationary forces suppressed during the war; second, the sharp upward revision of multiples between 1958 and 1961, where the multiples applied to income stocks increased about 50% and the multiples applied to valid growth stocks increased about three-fold. While the propensity for equities as against fixed income investments has a strong justification in modern economic mass societies with their inflationary bias, the distinction has to be drawn between the inflationary bias and inflation itself, and between inflation and fears of inflation. The fears of inflation received their Waterloo in the 1962 steel wage settlement of 2.44% and the steel price fiasco subsequent thereto. Whatever the merits of the argument, the public now has the impression that inflation is not galloping and that 4% or so in savings yields may be worth more than a myth of numbers.

Worrisome as all these adjustments are, they could be catastrophic if they were taking place under conditions where business was sliding. Fortunately the output of goods and services is on an ascending scale. It's true that the earnings picture for 1962 is somewhat lower than the annual rate achieved in the fourth quarter of 1961, but personal income is rising and other supporting indices are satisfactory, so that there is sufficient evidence that the G.N.P. for this year will be substantially higher than the average of 1961 of \$521 billion and that by the last quarter of 1962 the G.N.P. should be 13% higher than the first quarter of 1961. In other words the increase has been almost 7% per annum. There was an unreasonable expectancy for an uprush in capital expenditures. Even so capital expenditures will be nearly 10% higher than last year, though the economy as a whole is operating substantially below capacity. One should really look for slowly rising capital expenditures moving well into 1963.

Profits at New Highs

There is much talk and despair about the profit squeeze and the anemia of the economy preventing renewals and additions in an amount necessary for dynamism. Yet profits overall have already had a breakthrough to new highs, and for the year 1962 are estimated at \$52 billion pre-tax as against the varying \$40-\$45 billion annually for the period 1955-1961. The breakthrough in profits is substantial and it must be going somewhere. It may not be going to the traditional industries and companies as was the case during the past dozen post-war years, and it may not be as apparent as during the epoch of shortages and the wage-price spiral. Yet it is here, but it is diffused. True capi-

talism is now functioning in an economic world of excess capacity with shortages vanished and competition restored on a domestic and world-wide scale. The investor has the opportunity of seeking out the attractive areas and the flexibility to evacuate the uninteresting. That he has difficulty in making the choice is understandable, but he has not been deprived of the facility.

The investment dilemma revolves around two centers: (1) the matter of multiples and (2) the spectrum of securities.

Earnings Multiples

Let us start off with the understanding that the earnings multiple is only one ingredient in the arsenal of analysis and that it is a mistake to ascribe to the multiple the all pervading powerful dominance generally accorded it. In many cases the earnings multiple is the most significant analytical factor. In other cases other measures are more weighty.

And what are earnings? Should we just take the accountant's report as sacrosanct? Should the CPA supplant the security analyst? Of course not. The earnings have to be adjusted where required and the earnings power has to be envisaged. To the reported earnings, consideration must be given to the exclusiveness or inadequacy of depreciation, non-operating or non-recurring items, expenses related to the startup of new plant, and the persistence of earnings deriving from rentals versus sale. There is also the redundancy or deficiency of capital. In the last mentioned case share dilution is likely. Only a lazy or unimaginative or uninspired analyst ignores these and other factors, which means that they are generally ignored and that figures are bandied about, badly contrived from an analytical point of view, but having the false guise of seeming scientific accuracy.

The yardstick, if any, starts with the return available on a bond investment as against the greater aggregate return on an equity over the years to a professional investor undisturbed by factors of time and taxes. Here the relativity of mathematics and risk presumably operates. For the individual other elements intrude to complicate the equation.

An institution such as a pension fund, thinking in terms of decades rather than years and having a steady flow of investable funds, has the choice of buying a relatively riskless fixed income obligation currently yielding around 4½% or an equity, in which case the ultimate return must obviously be higher to compensate for the risk. The longer run inflationary bias plays its role where ultimate purchasing power has significance as against the bookkeeping problem of matching dollar assets to contract dollar liabilities, as with the life insurance companies as here run. The 4½% yield can be taken as par for the course and the equity commitment, because of risk, must return more.

Common Stock Categories

For our purposes, let's divide common stocks into four categories:

- (1) Electric utilities, which because of the superior assurance, duration, and regularity of growth offered by this industry, might serve as a standard in judging other equities;
- (2) The established growth leaders operating in industrial or other competitive markets, which evidence sustained growth rates ranging from that of the average utility up to the phenomenal near 15% of IBM;
- (3) The mature giants, no long-

er benefiting from an appreciable per capita expansion in demand for their products; and

(4) The potentially more dynamic, smaller companies, where earnings progress, say over the next 3-5 years, is anticipated at high rates but is much less predictable.

The shares of electric utilities with growth prospects, having declined in recent weeks, are now selling between about 20 and 30 times estimates of this year's earnings. The multiple for specific stocks is closely related to the individual company's past and generally anticipated future growth rate. Those with average prospects of about 4%-5% a year growth, such as Cleveland Electric, are typically selling around 18 times to yield 3.7%. Companies with better growth, of 6%-7% a year, such as Southern Company, are selling on average at 21 times and yielding 3.1%. Finally, the fastest growing electric utilities, with prospects for 8%-10% a year or possibly a little higher long-term earnings progress, are selling on average about 25 times and yielding 2.4%.

Potential Investment Return

How does the investment return available from these electric utilities compare with the basic standard of 4½% from a fixed prior obligation? Obviously, if current price-earnings multiples were maintained, assuming the same multiple and dividend payout ratios, the overall return would equal the earnings growth rate plus the current dividend yield, or 10½%-12½% for the rapidly growing companies, about 9%-10% for the moderate growing companies and 8%-9% for the average utility. Thus the reward is from some 1¼ to 2¾ times the bond standard. The risk, of course, aside from the possibility that earnings forecasts do not materialize, is that these stocks may sell at lower multiples in the future. However, even in this event, if the shares are held for a long enough period, say 10 years, and one allows for a decline in multiples, the promised overall return (derived from the stream of increasing dividends received during the holding period plus proceeds from the eventual sale of the shares) appears to be sufficiently better to make electric utilities an attractive holding in the portfolio.

For example, taking our three groupings: if a rapidly growing electric utility, now selling around 25 times, can sustain per share earnings growth at 9% but is sold at the end of 10 years at 17 times then earnings, the effective overall investment return will have been 8%—if the multiple is 20, the return is 10%; if unchanged, 11%. If the eventual multiple is only 12 times, the return will have been 5%, or still slightly better than the bond.

Shares of the companies that maintain about 7% a year growth, now selling around 21 times, can drop in multiple to 16 times and return 8%; to 14 times and return 7%. Provided the 7% average earnings and dividend growth materializes, these moderate companies' shares can drop to 11 times and still return the same 4½% as the bond.

The average utility, if it grows at 5% a year, can suffer a multiple decline to 13 and 10 times and return 6% and 4½%, respectively.

Thus, the longer term risks in well situated electric utilities appear to be less in the possibility of future lower valuations than in the accuracy of the growth projection.

Now, if the median return in these calculations for the utilities is 8% from investment in electric utilities, this at least should be expected from other equities where the future is less predictable. Obviously, because of the

greater uncertainties, these stocks should sell at a somewhat lower multiple than the shares of an electric utility with about the same anticipated rate of growth. The question is how much discount in terms of multiple an industrial growth company's shares should sell below that of a comparably growing utility in order to be relatively more attractive. This can only be answered by careful qualitative judgment focusing on such things as the chances of a new development which might adversely affect the growth forecast, how far ahead one can reasonably project, capability of financing the growth without dilution, and the degree of immunity to cyclical fluctuation.

Strongly Positioned Companies

Outstanding examples of strongly positioned companies with growth prospects of 5% to 10% per annum may be found among those with marketing franchises in consumer items enjoying favorable per capita consumption trends; such as the convenience foods—General Foods, Campbell Soup, and Coca Cola; toiletries and cosmetics—Procter & Gamble and Chesebrough; photography—Eastman Kodak; and cigarettes, (sans cancer)—Reynolds Tobacco. Also, the best retail merchandisers such as Sears, textbook publishers; aggressive banks in growing areas of the West and Southeast; and telephones. These stocks sell in a range of 18-25 times earnings.

Valuing faster growing but equally established and entrenched companies such as IBM, Avon Products, Minnesota Mining, and A. C. Nielsen requires a little more mathematics as well as application of the same critical qualitative judgments. Without going into the mathematics, the following rule of thumb applies: that for a company with earnings growing at 15% per annum an overall investment return of 8% will be obtained if at the end of 10 years it is sold at a multiple one-half the current multiple; for companies with 12½% growth the multiple can drop to two-thirds the current multiple to still give an 8% return, and three-fourths the current multiple in growth is 10% a year. For instance, IBM, now selling about 35 times current earnings, can be sold after 10 years for only 17 times then earnings if growth averages 15% a year and provides an 8% overall return. If growth averages 12½% a year, instead, the shares would have to be sold at 23 times 10 years hence earnings in order to return 8%. Looked at in a somewhat different way, the following maximum current multiples can be said to return 8% if a stock is sold at the end of 10 years for 20 times then earnings: 42 times for a company whose earnings grow at 15% a year, 34 times for 12½% a year growth, and 28 times for 10% a year growth.

The problem lies less in the mathematics than in the soundness, validity and quality of the judgment which projects the growth rates. If these are applied promiscuously to any company the error is bound to be great.

The Mature Industries

We come now to the matter of judging the very large, mature companies, where future growth in sales not much faster than that of the overall economy, about 3%-4% a year, can be envisaged and where it is debatable whether this will be translated into equal earnings growth. Most of these companies' earnings are subject to some fluctuation with the general business cycle or some other cycle peculiar to their own business, which requires first that an attempt be made to normalize current earnings from this standpoint. Here the limits on valuation seem to be set on the optimistic

side at some discount from the multiples prevailing for the "average" growth electric utilities, or around 16-17 times with a yield of around 4%. If the pessimistic view is taken that there is neither the prospect of any longer term earnings improvement nor complete assurance of maintaining the present dividend, such stocks should sell to provide a current yield of some premium over that from bonds, say around 6%. Such a yield for a company paying out anywhere from two-thirds to three-quarters of earnings, translates to a multiple of 10 to 12 times. An average valuation between these two extremes is a multiple of about 14 times and a current yield of near 5%.

This mature category includes some of the great traditional industries.

The final category of stocks, for which proper valuation is most difficult, is the smaller, less developed companies in new fields with above average growth promise (usually some new product or technology) and/or where share of a market is being rapidly expanded through some novel distributive (such as Korvette in low mark-up retailing) or other approach. Often such companies have not yet developed normal earning power, or may, indeed, not yet be profitable. In order to be interesting these companies should, generally speaking, have the potential for growth at considerably greater than 15% a year over the next 3-5 years and, in most cases, it would be hazardous to anticipate or predict beyond that time. In this area, proper evaluation of securities depends far more on analytical perception and foresight in judging the potential and weighing the chances of failure than the mere mathematical approach to multiples. In this chancy field the chance of imagination and multiples overriding judgment is great.

Spectrum of Securities

During the war period and particularly following the Korean War and the rise of defense expenditures from \$10 billion to over \$50 billion per annum, there has been an energetic capitalism in this country. Defense and associated spending ushered in thousands of applied science companies. Shortages and affluence brought into being many new companies serving the consumer both in tangible goods and in services. The high multiples and investor avidity brought to the market many privately owned companies and many industries new to public ownership. The enlarged world horizon created an interest in foreign companies. All this has resulted in a galaxy of capitalistic enterprises numbering well over 25,000 companies quoted in the investor markets of the United States. Of these, 5,800 have 300 shareholders or more, and of these, 2,200 are listed, of which somewhat over half are on the New York Stock Exchange. This corporate structure of our capitalistic society strikes me as involving roughly half a dozen layers or types of companies:

(1) The great multi-billion dollar corporations which have become institutions of the land. These are the old line, long established companies, many having had their origins in the activity and burst following the Civil War and then again around the time of World War I. We all know these companies. They encompass the railroads, the steels, automobiles, mass retailers, oils, communication, the coppers, and many manufacturers. These are the great big companies characterized by:

A large number of stockholders, in many cases more stockholders than employees; Professional management teams, echelons deep; Boards of directors usually

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Reviewing the Bases for Investing Opportunities

Continued from page 23

cull from outstanding names and increasingly owning minor or negligible percentages of total shares outstanding. Such directors tend to think of themselves as trustees and conservers, and are no longer doers or creators.

The companies, because of their size, must operate under a bureaucratic procedure, and to the extent that they are big, they are subject to the threat of anti-trustism. Social pressures are upon them to stabilize employment, and they proceed cautiously in the development and unfolding of their long-term plans. Perhaps because of their gigantic size and the dominance of their position in their respective markets, perhaps because many phases of their operations are mature, their growth rate is more consistent with the growth of the country as a whole than superior thereto. The upsurge from 1946 to 1958, during a period of shortages the world over, gave them an atmosphere of dynamism which in many cases was temporary. In any event, whatever the bold and aggressive developments in one or other of their many activities, the impact has to be related to a multi-billion dollar base. Hence, with a number of exceptions which must not be denigrated nor dismissed, the growth rate here is uninteresting.

(2) Large size companies selling in the market for several hundred million dollars to a couple of billion. Many of these moved out of the private sphere in the last few decades and represent the corporate organization of other than the heavy segment of our industrial structure. It is perhaps possible to characterize them as more aggressive, not yet the full target of government antipathy. A number are growing faster than the economy as a whole.

(3) Medium to smaller corporate entities, say \$50 million to a few hundred million in market value. Many of these are service companies, many represent new industries as far as the market place is concerned but old in their activity or history, and institutions in their particular fields, and not infrequently dominant in their respective markets.

These three types or layers constitute our public corporate capitalism. This democratic capitalism distinguishes us from the 19th century private bourgeois family-owned personal capitalism. The differentiating mark is in the separation of ownership as between the stockholders, the management, and the directors, and the necessity to go before the stockholders at least annually to justify their stewardship.

In brief, they constitute a category which we may consider as the organizational type of corporate entity. The very large institutional companies have difficulty in deciding between their public responsibility to the general welfare and their private drive for profits. The emphasis of one against the other is probably in inverse ratio to size.

True Capitalistic Enterprises

The second broad category embraces the true private capitalism as expressed in the 19th century. Here I also envisage the individual companies as falling in three groups: enterprises, ventures, and wildcatters.

(4) In what might be called enterprises, where the corporate form is fully in evidence, there are public stockholders, professional management, and directors, but the ownership, the direction, and the management are much more coincident and the driving

hand of a management-ownership much more in evidence.

(5) Ventures. A grouping of capital and management for the exploration or exploitation of a concept or a concession. Here usually the public stockholdings are not too widespread.

(6) Wildcatters. A radical speculation whether in corporate or private form.

While these three types of activities are distinctive, they blend one into the other and their borderlines are blurred. A mark of distinction might be the relative degree of fragility. In all three, however, to a large extent the public stockholders ride along on the coattails of the dominant managerial ownership who determine the policy, constitute the decisive force, and have no qualms as to predatory pursuit of their profit objectives.

In this broad category is the ferment of private capitalism. There is bold exercise of intuition and the presence of adventuresomeness and agility. Risks are recognized and undertaken with the aim of becoming bigger, stronger, and finding a firm position in the industrial structure either through growth or combination. Ultimately many of them may find safe harbor as divisions of the great organizational institutions who for one reason or another have not ventured into their areas.

This entrepreneurial capitalism as distinguished from the organizational capitalism is of course riskier but, where successful, it can produce spectacular rewards.

Industries With Good Growth Prospects

The purpose of this discussion is not so much to be didactic as to indicate another view of the spectrum of securities. Quite aside from the usual purely industrial classification, or even the further division as to degree of cyclical volatility, important features in the diversification of a portfolio, there is now, I believe, the desirability of allocating the portfolio as between public institutional type capitalism and private entrepreneurial type capitalistic companies. In the one there is a degree of safety or impregnability, usually accompanied by a sedate rate of growth. However, by picking and choosing one can find in groups 1, 2, and 3 investments where the appreciation potential should be more than satisfactory, and in some cases rates of growth of 8%-15% per annum foreseeable at least for a period of years. There are the utilities, the process food companies, the mass consumption and mass distribution companies, education, life insurance, and so on.

In the other category there is the allurements of unusual gains but there must be associated therewith the recognition of much greater risks. They have their place in portfolios in appropriate proportions. Avoidance may be almost as erroneous in the conduct of an aggressive common stock portfolio as undue concentration. In very recent years the plethora of applied science companies and other venture types and wildcat outfits in the guise that they were important corporate entities in that they had all the trappings but neither the contents nor the essence, has led many accounts and portfolios astray. Frequently there was diversification in numbers of separate holdings but not true diversification as to investment risk.

Conclusion

As to the market: In the course of a shift from one Administration to another the market, as far as

the Dow-Jones Averages are concerned, dipped to 575 and then rose to 735. On the basis of recent levels, we have given back virtually the whole of the rise attributable to the fears and hopes of New Frontier spending and policies. We will have to digest two emotional shocks: the steel fiasco, and the market readjustment which began last year and culminated in the current break. Uncomfortable as it has been, this should not prove fatal.

As to multiples: We should try to put these in proper focus. There has always been the distinction between the great and growing companies, the pedestrian companies, and the crap shots. The 1946-58 period, characterized by 3% bond money and 6% dividend yield, is not the classical background, nor is 30-50 times a sure-fire measure for all sorts of companies related to all sorts of projections. The multiples should be higher than the traditional multiples applicable over so long a period of time, because of the governing nature of the financial and economic background, but they will be lower than the care-free figures which reached their height a year or so ago.

The inflationary bias, the managed economy, the mass nature of our society, and the strain on currencies the world over arising from the demands of the time, not to speak of the continuing institutional requirements for securities, are new elements in the financial economic background. There is ample justification for multiples of say 30 times for a large number of companies where excellent growth rates can be envisaged and the position of the company is secure. The growth concept has always had its importance to distinguish static companies from advancing ones.

IBM has been enjoying a high multiple for many a decade and so have many other companies. The trouble does not lie in the concept but its application or misapplication to many companies where either the growth factor was based on too short a period or where the fundamental position of the company was still untried. A good speculation is not necessarily a growth situation; and too many good or bad speculations have been inappropriately considered growth situations.

Finally, whatever the fluctuations of the Averages and the storm in the stock market, there has never been a greater number of corporate opportunities to invest in, to speculate in, than there is at present. The spectrum of securities is large. The chief difficulty is that there are so many opportunities that they become bewildering. Let there be a profit squeeze in the traditional areas. This does not detract from the profit opportunities elsewhere. The investor and the speculator can move from a sterile position to a fertile one. It is the function of investment analysts to survey the mosaic of many industries and to comprehend analytically the varying merits of companies ranging from the great institutions of the land to ventures, speculations and even wildcats. What we must do is to educate our clients to be alert and aware of the scope and strength of the companies and their significance, purpose and risks in the portfolio. Recommendations should include the better situated institutional equities along with the others in appropriate proportions. While all portfolios have suffered, the hurt has been greatest where the exuberance has been most reckless, and these are the distortions which may prove to be well-nigh irreparable.

Nation-Wide Branch

ARLINGTON, Va. — Nation-Wide Diversified Services, Inc. has opened a branch office in the Professional Building, under the management of R. Bruce Hull.

CHICAGO BECKONS

In September



The proceedings of the Municipal Conference of the I. B. A. to be held Sept. 11-12 and the following outing of the Municipal Bond Club of Chicago, Sept. 13-14, will be covered by our representatives, who will take photographs, to be published in a special pictorial section.

Your advertisement in this special section will identify your firm with the important municipal field and the active Chicago markets.

For further information contact Edwin L. Beck, Commercial & Financial Chronicle, 25 Park Place, New York 7, N. Y. (REctor 2-9570)—(Area Code 212)

A Bullish View on the Stock Market's Future

Continued from page 3

clusions suggested by newly discovered technical relationships, until and unless we had a chance to study the batting average or performance records over a period of at least two or three cycles.

As many of you know, my own market appraisals have been a matter of record over a long period of years. Many of my articles have appeared in the *Commercial & Financial Chronicle*, "Cycles," and in other publications; and I have been writing a weekly commentary on the business and stock market outlook for the past eighteen years. On a few occasions—as in the summer of 1953—I was considered overly optimistic when I spoke before the New York Society of Security Analysts, and predicted an early reversal of the setback then under way and an advance to well above the 1929 highs.

At the other extreme, I was told that I was unrealistic in looking for a decline of at least 100 points in the Dow Industrials when I spoke before the same group in the late summer of 1957; and was again accused of being a pessimist in the summer and fall of 1959 in my widely publicized predictions of the downward trend in the stock market during 1960 in face of emphasis on the previous record of the stock market in election years by the leading statistical services. (My own view in late 1959 was that evidence of tightening credit by the FRB and the adverse indications of our own Timing Studies were likely to dominate the outlook until the fall of 1960.)

Recalls Last Prediction

My most recent talk before a New York group interested in the stock market was given on Dec. 12, 1961, before the New York Chapter of the Foundation for the Study of Cycles. In that talk, I emphasized this conclusion: "The trend of the stock market is likely to be irregularly upward at least until the fall of 1962 and quite possibly into the early months of 1963." I added the warning, however, that "It would be a mistake to jump to the conclusion that because the market has a definite tendency to advance during the first eight to 10 months of the second year of each decade, average quotations will rise month by month during the period immediately ahead. In both 1932 and 1942 (comparable periods in one of our three overlapping 10-year Timing cycles), the lows for the year were not recorded until the second quarter."

Offers Predictions

My own substitutes for a crystal ball now seem to warrant the following conclusions:

- (1) We have probably seen this year's lows or at least the approximate lows, for the vast majority of stocks and for the leading averages.
- (2) The Dow-Jones Industrials are likely to shortly regain all of the ground lost since January, and have a reasonable chance of exceeding last year's highs by 10% or more—particularly if the almost inevitable revaluation of gold should take place within the next six to eight months.
- (3) The cyclical peaks for the most widely publicized averages are likely to be recorded by sometime between November of this year and early 1963, with the trend of the stock market being definitely downward next year.

I suspect that many of you feel that any forecast calling for new highs in the market averages within the next six to eight months is overly optimistic—and

you might be right, I do not expect to be right more than 75% to 80% of the time in my projections of cyclical trends in either business activity or stock prices. I also know from experience that forecasts for any one to three months' period are subject to a much wider margin of error than are longer-term projections based on time-tested studies of economic maladjustments and prices in relation to values.

In defense of my current optimistic point of view, I should like to submit the following evidence:

Vulnerable Market

(1) The intensity of the recent market storm following President Kennedy's cracking down on the steel industry was due in part to the stock market's definitely vulnerable position as a result of the unrealistically high prices at which many stocks were selling; and especially the complacency of many groups, from bankers to speculators, as to the price outlook for the better-grade, growth equities such as IBM, Polaroid, and Texas Instruments.

Last December we warned that a decline of 5% to 8% in the market averages was likely during the early months of this year. The mistake which many of us made (and I include myself in this group) was that we did not foresee the extent of the market repercussions once investors realized that a stock such as IBM was not attractive at 50 or 60 times consolidated earnings, or at 6 times the price at which it had sold when earnings were at about one-third of the current level. Most of us, I am sure, did not realize that a large proportion of these glamour stocks were being held on very thin margins, with the endorsement of bankers who were buying IBM for new trust accounts even at 600 because it was considered cheap at any price.

In one of our monthly reports, we make appraisals of what we consider statistically reasonable buying levels and cyclical price objectives for some 250 stocks. We removed IBM from this list when it reached 500, and avoided even listing such issues as Texas Instruments and Polaroid once they became so very popular, since common sense and experience suggested that the risks in these issues from a one or two year point of view were much greater than the profit possibilities, as judged by any time-tested formulae.

However, I now believe that IBM at 300 offers reasonable values; Polaroid certainly is priced much more realistically in the lower 80's than it was two years ago at 240—especially in light of continuous progress being made in research for new and better products; while Texas Instruments at below 60 has satisfactory possibilities for capital gains, in contrast to the situation when this stock was selling at 240 in 1960—or even at 125 early this year.

Good Buys

(2) The rank and file of stocks have suffered as a result of both forced liquidation of the glamour group and panic selling on the part of the public when they saw prices melt away for the widely touted growth issues.

I do not know whether U. S. Steel will do better or worse than the market as a whole over the next six months, but I certainly would not veto any suggestion to buy this stock now that it is available on a yield basis of more than 6%, and would still provide a yield of better than 4% if the dividend were reduced to \$2 a share during the next business recession. There is certainly less

risk in U. S. Steel—even under current conditions—than in 1959, when it was considered a growth stock and sold at 108, and provided a yield of less than 3%.

I think it is also quite a different story to buy a stock such as Fibreboard—which enjoys excellent management and operates in a growth industry within a growing territory—now that it is available on a yield basis of 5% and at the equivalent of less than 8 times the earnings likely to develop by 1963, in contrast with the price of 57 reached a few years ago, when the yield was only 2½% and the stock was selling at more than 20 times the rate of earnings anticipated within the next 12 months.

Collins Radio, in the low 20's, and with an excellent chance of reaching a new high in earnings next year, is another example of a current good value.

Easy Money

(3) We have never had a bear market in the usual sense of that term while money was plentiful and the Federal Reserve was following a relatively easy money policy.

The 1929 decline did not start until after short-term money rates rose temporarily to a high of 20%, and the FRB rediscount rate was increased to 6%. The 1937 bear market was preceded by a 12 month period of credit-tightening by the FRB, when banking reserves were reduced by more than \$1.5 billion even though money rates were held down. The more recent major readjustments or bear markets of 1946, 1953, 1957, and 1960 were preceded by either reductions of \$1 billion or more in bank reserves or a rise in the rediscount rate to double the previous cyclical low, or both. Since the banking system now has more than \$400 million of excess reserves, and since money for mortgage purposes is so plentiful that the savings banks are again soliciting loans, we do not have the basis for the downward spiral in business that is normally anticipated by a cyclical downturn in equities.

(4) In addition to direct monetary considerations, we should not ignore the fact that government deficit spending is increasing rather than diminishing. I see no near-term prospect for a balanced budget, and recent pronouncements from Washington suggest that there will be no serious attempt to balance the budget in 1963, even though this will not be a Congressional election year. In the past, there has been a high degree of correlation between turning points in business and a switch-over from deficit spending to a balanced budget in Washington.

President Kennedy's Lesson

(5) The extent of the recent stock market break was unquestionably due in large measure (even as admitted by the *New York Times*) to the shattering of confidence by the way President Kennedy handled the abortive and poorly-timed efforts of U. S. Steel to raise prices on an across-the-board basis. I believe the Administration learned a great deal from this experience, and will now literally bend over backward to create a different image as regards its attitude toward industry—just as President Roosevelt went out of his way to reassure business after the sharp breaks in the stock market in April, 1936 and again in May, 1940.

(6) Our studies of stock market Timing—which we have tested in actual practice for more than 30 years—tell us that the odds are at least 5-to-1 that the highs touched in the first quarter of this year will be exceeded by sometime between September and December. Similar indications were given by these studies on eight occasions in the past 25 years when prices were weak early in the

year but were dismissed by many of those in Wall Street because they had become more pessimistic as prices declined.

The high close during the first quarter of 1962 was 726 reached on Jan. 3. The subsequent low close to date was recorded on Thursday, June 14 at 563, or at a level 22% below the January peak. It would require a 29% rise in this Average to reach new highs for the year. With this in

Year	1st Quarter High	Subsequent Low	% Decline	Sept.-Dec. High	% Rise
1938	134	99	-26.1%	158	+59.5%
1939	155	121	-21.9	157	+29.8
1942	114	93	-18.4	119	+27.9
1948	181	165	-8.8	190	+15.2
1949	181	162	-10.5	201	+24.1
1952	275	256	-6.9	293	+14.5

Time limitations prevent my going into detail as to the probable reasons behind the very strong implications of the Timing Studies to which I refer, but I would like to emphasize that there have been very few exceptions in the past 80 years to the "rule" that the highs in the current phase of one of our three overlapping 10 year cycles should not be expected before sometime between September and December, regardless of the extent of any setback in the early months of the year.

A 14-Month Adjustment

(7) Finally, while the market decline to date is only about six months old in terms of the averages, the readjustments in our recent market leaders have been going on for periods ranging up to three years. (The 50% decline in IBM has covered a period of eight months; Texas Instruments has been declining since May, 1960—or for more than two years; Polaroid reached its peak in September, 1960—or 21 months ago; while the old standby, U. S. Steel, has been in a downtrend since August, 1959.) As measured by the weekly "Breadth" indexes compiled by Bolton - Tremblay, the over-all adjustment is now 14 months old. The duration of these declines would appear to be more significant than the fact that the market averages have been working downward only for six months, especially since crosscurrents in the stock market have been unusually numerous in recent years. These are likely to continue in view of the growth of the institutional funds, where there is a greater tendency to hold back purchases from time to time and to switch from one stock to another rather than to materially reduce total positions in equities.

At this point I might mention that I believe the probabilities are excellent that stocks will continue to sell at higher ratios to earnings than they did in the period prior to 1953. This expectation is based on the growing realization that basically, a diversified group of stocks yielding 3% or 4% is likely to turn out to be better long-term investments than bonds yielding 5%. This is due to the fact that the owner of common shares receives in addition to his dividends a proportionate interest in earnings reinvested in the company. On the basis of fundamentals, as opposed to tradition or theory, it would therefore make more sense to compare stock "earnings yields" with bond yields, rather than dividend returns with long-term interest rates.

I do not believe it would be of any great interest to state at this time why I feel that an important peak in the stock market cycle may be recorded by late this year or early in 1963. This is a subject which might better be discussed after we see how things work out in the interim. For one thing, the manner in which we handle our gold problem over the next six months will have a major bearing on the stock market outlook during 1963.

mind, the following record of all of the years since 1937 when our Timing Studies indicated that the highs for the year would be seen by sometime between September and December, and where stock prices experienced substantial setbacks during the early months of the year, may be of interest. (These figures are only approximate, since they were taken from charts rather than from original data.)

Reforming the DJIA

Another thought that I should like to convey is that I believe the Customers' Brokers Association could help reduce the risk of future panics by using their influence to have the Dow-Jones Company "split" its Industrial Average. As this Average is now constituted, a 1-point average rise or decline in the thirty stocks that make up this Index results in a 10-point change in the Average. Very few people can get themselves to adjust mentally to the fact that the widely used Dow Index exaggerates point moves in the ratio of 10-to-1. If during a period when prices change rather abruptly, the headlines were to proclaim that the average stock declined by 2 points, and that the Dow-Jones Industrial Average also changed by the same number of points, we could avoid one of the panic-creating influences which helps to bring about violent emotional swings, and therefore, thin markets.

As long as this Average is used so widely as a thermometer of the market, the exaggerated implications of daily swings in prices can be justified only if there is a desire to mislead the public from time to time for the short-sighted reason that this stimulates activity. The argument that splitting or adjusting this Average would destroy the continuity of long-term studies does not hold water at this time because a 10-for-1 split would make it very simple to merely divide previously published figures by 10 in order to make the background data comparable with current figures. I hope that the Association will use its influence to see that the widely quoted Dow-Jones Industrial Average figures are adjusted to a basis which would not be so misleading to the public.

Investment Selection Advice

In closing I want to stress the fact that the outlook for the market as a whole is only one of the considerations which should enter into decisions as to when and at what prices individual stocks should be purchased. This is especially true in highly selective markets. I am confident that equities of well-managed companies bought at historically reasonable ratios to the earnings and dividends in prospect within the next twelve months will generally prove to be wise investments, even though it may take many years for the high multiple price-earnings ratio issues to get more than halfway back to their previous peaks.

*A talk by Mr. Gaubis, before the Association of Customers' Brokers, New York City, June 18, 1962.

Berney Perry Office

MONTGOMERY, Ala. — Berney Perry & Company, Inc. has opened a branch office in the Bell Building, under the management of Henry M. Ufford, Jr.

Now Natale Lipsig

The firm name of Natale, Miller & Co., Inc., 55 Broadway, New York City, has been changed to Natale, Lipsig & Gary, Inc.

As We See It

Continued from page 1

some of the proposals being brought forward are plainly designed for that purpose. There was a time when we often wondered if at times at least it would not be well to take a little of the steam out of these booms in order to prevent the development of a depression or at least reduce its severity. There are no such thoughts and no such worry now in official quarters so far as can be discerned.

This new theory of business manipulation has certain other important differences from those of classic design. Apparently what is uppermost in the minds of the business manipulators in Washington and elsewhere in political circles is not the production of goods needed by the people and thus prevention of distress or suffering, but rather the provision of more jobs and the attainment of "full employment" as the expression goes. The distinction is quite real and certainly not without significance. The concentration upon stimulating employment is without doubt in substantial part at least responsible for the apparent lack of interest in what is being produced. Success of any or all of these programs appears, so far as production is concerned, to turn upon the size of what has become known as GNP, roughly the total output of goods and services—without much if any regard for the composition of the goods and services produced to make up the total. Meanwhile, more employment is a *sine qua non* of success.

This may or may not be merely one of those oversimplifications which are regarded as essential in the presentation to the great rank and file of notions and concepts which are inherently somewhat complicated and difficult, but however that may be it leads to quite unfortunate consequences. There is, of course, obviously no reason why we should fall down and worship "growth" as such and still less that we should feel that any particular rate of growth is essential. Artificially stimulated growth can well lead to wasteful use of natural resources which are, after all, not inexhaustible even in this fortunate country. What we need is production adequate to meet the needs of us all, including, of course, the defense of what is ours. The notion that these needs will grow in the future at some presently determinable rate is unrealistic to say the least. Still more unrealistic is the idea that these needs will necessarily be met by any particular change in the total of all goods and services produced. And it is quite possible—indeed there is evi-

dence of it already in repeated demands for shorter and shorter hours of work—that many of us would consider additional leisure more important than some of the material things that could be produced with greater effort.

That "Population Explosion"

One of the rather strange facts in this whole business is the tendency in so many quarters—indeed in just about all quarters where much is said on the subject—to view the so-called population explosion as posing a problem—its chief problem—in the form of a threat of more unemployment. One would suppose that the main question would be whether sufficient goods and services of the right kind would be produced to meet the needs of this rapidly growing population—not whether the additional elements in our population could find any productive way to keep themselves busy. Of course, this increase in the number of mouths to be fed and bodies to be housed and clothed could hardly fail to increase demand for many types of goods and services—and, naturally, also supply the hands to produce them. If this kind of solid growth does not in fact occur of its own accord, the cause will be found in public policies which in one way or another prevent it.

What is really disturbing about the situation as it is now unfolding is the fact that ways and means for influencing the economy, chosen by the powers that be at the present time, are of the cheap variety, certain in the end to do more harm than good. Reduction in taxes regardless of expenditures, special tax concessions here and there, subsidies (or the equivalent) offered to this, that, or the other group in the economy to persuade them to "grow faster"—such is the gist of most proposals. There is some admission by the Administration that the Government is now taking more from the economy than is wholesome at times like these—but there is no indication that any serious effort is under way to reduce the requirements of the Federal Government. Tax reductions and tax concessions seem therefore all but certain to create a dangerous increase in deficits which are already running far too high. "Adequate rates of growth" of a wholesome sort are not induced by putting more and more of our economy on the cuff.

Just Watch the Debt

Nor does the President's frequent suggestion that the cash budget rather than the administrative budget be employed in judging the situa-

tion offer encouragement. Of course, this is a device that has long been employed by those who would apologize for the extravagance of the Federal Government. One need only study the level of the debt of the national government to gain an idea of what the net of all this is.

Commonwealth Of Australia Bonds Offered

Morgan Stanley & Co., New York City, announces that an underwriting group which it is managing, is offering for public sale an issue of \$30,000,000 Commonwealth of Australia 5½% bonds due July 1, 1982. The bonds are priced at 97½% and accrued interest to yield approximately 5.71% to maturity.

The bonds are not redeemable prior to July 1, 1972 except through operation of the sinking fund which provides for semi-annual payments of \$833,000 before Jan. 1, 1965 and before each Jan. 1 and July 1 thereafter to and including Jan. 1, 1982 which, together with a payment of \$845,000 on July 1, 1982, are calculated to retire 100% of the issue. The sinking fund redemption price is 100%.

Regular redemption prices for the bonds on and after July 1, 1972, range from 101½% to the principal amount. Principal and interest on the bonds will be payable in U. S. currency.

Proceeds will be applied towards capital expenditures to be financed under the government's 1962-63 borrowing program.

A. D. Harvey Opens Consulting Firm

Alexander D. Harvey has announced the establishment of a consulting service, Alexander D. Harvey & Associates, with offices at 310 East 45th Street, New York City. Mr. Harvey was formerly chief of the New York region and a former director of the Office of Investment, of the U. S. Small Business Administration.

Raymond Moore Adds Winters to Staff

(Special to THE FINANCIAL CHRONICLE)
BEVERLY HILLS, Calif.—Herman Winters has become associated with Raymond Moore & Co., 9465 Wilshire Boulevard. Mr. Winters was formerly with Adams & Co. in the underwriting-syndicate departments.

Two With Hayden, Stone

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Roland K. Michelsen and James E. McClintick have become connected with Hayden, Stone & Co., Inc., 611 Wilshire Boulevard. Mr. Michelsen was formerly with Glore, Forgan & Co. Mr. McClintick was with Merrill Lynch, Pierce, Fenner & Smith Incorporated.

Joins Shearson, Hammill

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Gordon R. Ludwig has joined the staff of Shearson, Hammill & Co., Inc., 3324 Wilshire Boulevard. He was formerly with Dean Witter & Co.

Richmond Securities Opens

STATEN ISLAND, N. Y.—Richmond Securities Corporation has opened offices at 25 Hyatt Street to engage in a securities business. Officers are Peter P. Nigro, President; Peter D. Nigro, Treasurer; and C. A. Nigro, Secretary.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Public Service Electric & Gas Company

Public Service Electric & Gas is one of the largest operating utility companies with annual revenues of over \$430 million; it also controls Public Service Coordinated Transit with revenues of \$59 million (earnings of the bus company are not consolidated with those of the parent company). In 1961 about 65% of revenues were accounted for by sales of electricity while gas contributed 35%. The company serves a population of 4,835,000 in some of the larger cities of New Jersey, the area constituting one of the most important industrial and residential section adjacent to New York City and Philadelphia. Industrial business contributed 31% of electric revenues last year, residential 35%, commercial 31% and miscellaneous 3%; gas revenues were only 9% industrial, 74% residential and 17% commercial.

The company has shown good growth, with revenues more than doubling since 1952. In 1961 revenues gained over 9% but this included the partial effect of rate increases which became effective Nov. 2, 1960. Despite the nationwide letdown in business activity in the first quarter of 1961, kwh output (aided by good air-conditioning sales in August and September) increased 8% over 1960. The company added some 27,000 new electric customers and 22,000 new gas customers. Some 27,000 gas heating installations were added (including conversions) and the severe winter weather in January and February also contributed to the 11% gain in gas sales. Industrial sales of both electricity and gas showed gains over 1960, due in part to the great diversity of light industry in the company's service area.

The company expects sales gains to continue and has projected a compound annual growth rate over the next few years of over 7% for electricity and 9% for gas. Progress is being made with conversion to natural gas, and over 70% of customers are expected to be served with straight natural gas by the end of this year compared with 66% last year (the balance have mixed gas). Additional supplies of natural gas are now being obtained, and gas service is being extended to new municipalities. The company is also promoting the installation of gas air-conditioning equipment by large customers. New promotional rates for both electricity and gas are helping to increase off-peak consumption of electricity and gas.

Public Service Coordinated Transit in 1961 reported a net income of \$858,000 compared with \$1,211,000 in the previous year. The company did not pay any dividend to the parent company in 1961, although \$633,000 had been paid in the previous year.

Public Service E. & G. has been installing a substantial amount of new generating capacity: a second 320,000 kw unit at Mercer Generating Station was placed in service about a year ago, and a new 342,000 kw unit at Sewaren is scheduled to go into service this summer. A 400,000 kw unit at the new Hudson Station is scheduled for service in 1965, which would raise installed capacity to over 4.5 million kw, an increase of 30% over 1960. Also, the company is negotiating for the use of one-half of the pumped-storage peaking station which Jersey Central P. & L. plans to construct for operation in 1965.

Public Service has pioneered in establishing interconnected facilities with other systems, having

initiated the first major interconnection system east of the Rockies as far back as 1924. Now the interconnection has grown to include 12 investor-owned utilities in four states and the District of Columbia, the combined grid having a capacity of 15.8 million kw.

Gross additions to plant totaled \$690 million during the five years 1957-61 and construction expenditures for 1962 are estimated at \$120 million, slightly less than in 1961. Last year \$50 4¼% debentures and 900,000 shares of common stock were sold, \$25 million of the bond proceeds being used to repay bank loans. No further sale of common stock is anticipated for some time. At the end of 1961 capital structure was as follows: Mortgage bonds 40% and debentures 16%, making a total debt of 56%; preferred stock 9%; and common stock equity (including the \$1.40 dividend preference common stock) 35%.

The company's record of share earnings was somewhat disappointing during the period 1952-59 but has shown sharp improvement in the past two years due in part to rate increases and the adoption of "flow through" accounting. In 1952 the company earned 6.1% on year-end net property, and \$1.93 per share on the common stock, but by 1959 the return had declined to 5.1% and share earnings had increased only to \$2.27. In 1960 the New Jersey State Commission granted the company rate increases of \$6,492,300 in electric revenues and \$3,502,900 in gas revenues, effective Nov. 2. At the same time, the Commission ordered the use of "flow through" accounting which resulted in an increase in net income of \$3.3 million in 1960 and \$9.7 million in 1961.

Thus, the company obtained a combined increase in share earnings from these two factors of nearly \$1 a share, it is estimated. In 1961 earnings increased to \$2.70, and rate of return to 5.4%; in 1961 \$3.21 was earned and the return rose to 6.2%. As the result of improved earnings the dividend rate was raised from \$1.80 in 1959 to the present rate of \$2.20, and some further increase later this year would seem a possibility.

Public Service reported earnings per share in the first quarter of 1962 of \$1.43 compared with \$1.29 in the first quarter of 1961, a gain of 11%; a similar gain for the entire year 1962 would mean earnings in excess of \$3.50. The stock this year has sold in a range of 69-49½ (last year about 71-43) and closed at 56 on June 15. The latter price reflects a yield of nearly 4% and a price-earnings ratio (using the \$3.50 estimate) of 16.

With Donald Sloan

(Special to THE FINANCIAL CHRONICLE)
PORTLAND, Ore.—Norman L. Linscott has become connected with Donald C. Sloan & Co., Cascade Building.

With Bache & Co.

(Special to THE FINANCIAL CHRONICLE)
BEVERLY HILLS, Calif.—Ellis A. Axelrod has become affiliated with Bache & Co., 445 North Roxbury Drive. He was formerly with V. K. Osborne & Sons, Inc.

Joins Granbery, Marache

SAN FRANCISCO, Calif.—John H. Hemingway has become associated with Granbery, Marache & Co., 120 Montgomery Street. He was formerly with Merrill Lynch, Pierce, Fenner & Smith Inc.

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:							
Indicated steel operations (per cent capacity)-----	June 16	54.5	54.0	57.0	70.0		
Equivalent to-----							
Steel ingots and castings (net tons)-----	June 16	1,587,000	1,580,000	1,662,000	2,037,000		
AMERICAN PETROLEUM INSTITUTE:							
Crude oil and condensate output—daily average (bbbls. of 42 gallons each)-----	June 8	7,196,960	7,218,060	7,259,510	7,057,510		
Crude runs to stills—daily average (bbbls.)-----	June 8	8,526,000	*8,614,000	7,999,000	8,172,000		
Gasoline output (bbbls.)-----	June 8	30,632,000	30,477,000	28,419,000	29,596,000		
Kerosene output (bbbls.)-----	June 8	2,558,000	2,497,000	2,336,000	2,360,000		
Distillate fuel oil output (bbbls.)-----	June 8	13,521,000	13,420,000	12,762,000	12,434,000		
Residual fuel oil output (bbbls.)-----	June 8	5,591,000	5,103,000	5,151,000	5,893,000		
Stocks at refineries, bulk terminals, in transit, in pipe lines-----							
Finished gasoline (bbbls.) at-----	June 8	191,995,000	192,032,000	196,204,000	194,230,000		
Kerosene (bbbls.) at-----	June 8	28,149,000	*26,883,000	24,484,000	28,594,000		
Distillate fuel oil (bbbls.) at-----	June 8	107,717,000	*102,959,000	91,621,000	99,712,000		
Residual fuel oil (bbbls.) at-----	June 8	42,906,000	41,662,000	40,822,000	45,149,000		
ASSOCIATION OF AMERICAN RAILROADS:							
Revenue freight loaded (number of cars)-----	June 9	581,336	530,829	583,925	593,316		
Revenue freight received from connections (no. of cars)-----	June 9	478,836	479,171	517,846	487,560		
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:							
Total U. S. construction-----	June 14	\$478,000,000	\$486,600,000	\$398,500,000	\$403,400,000		
Private construction-----	June 14	213,300,000	299,300,000	183,100,000	184,400,000		
Public construction-----	June 14	264,700,000	187,300,000	215,400,000	219,000,000		
State and municipal-----	June 14	195,600,000	151,000,000	175,000,000	156,600,000		
Federal-----	June 14	69,100,000	36,300,000	40,400,000	62,400,000		
COAL OUTPUT (U. S. BUREAU OF MINES):							
Bituminous coal and lignite (tons)-----	June 9	8,615,000	*7,555,000	8,165,000	8,366,000		
Pennsylvania anthracite (tons)-----	June 9	303,000	263,000	263,000	353,000		
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100:							
June 9	152	137	169	151			
EDISON ELECTRIC INSTITUTE:							
Electric output (in 000 kwh.)-----	June 16	15,991,000	15,876,000	16,008,000	15,345,000		
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.:							
June 14	354	306	329	351			
IRON AGE COMPOSITE PRICES:							
Finished steel (per lb.)-----	June 11	6.196c	6.196c	6.196c	6.196c		
Pig iron (per gross ton)-----	June 11	\$66.44	\$66.44	\$66.44	\$66.44		
Scrap steel (per gross ton)-----	June 11	\$24.50	\$24.50	\$26.17	\$37.83		
METAL PRICES (E. & M. J. QUOTATIONS):							
Electrolytic copper-----	June 13	30.600c	30.600c	30.600c	30.625c		
Domestic refinery at-----	June 13	28.575c	28.625c	28.500c	28.825c		
Export refinery at-----	June 13	9.500c	9.500c	9.500c	11.000c		
Lead (New York) at-----	June 13	9.300c	9.300c	9.300c	10.800c		
Lead (St. Louis) at-----	June 13	12.000c	12.000c	12.000c	12.000c		
Zinc (delivered) at-----	June 13	11.500c	11.500c	11.500c	11.500c		
Zinc (East St. Louis) at-----	June 13	24.000c	24.000c	24.000c	26.000c		
Aluminum (primary pig, 99.5%) at-----	June 13	113.625c	115.000c	116.125c	112.750c		
Straits tin (New York) at-----	June 13						
MOODY'S BOND PRICES DAILY AVERAGES:							
U. S. Government Bonds-----	June 19	88.85	89.54	89.08	87.06		
Average corporate-----	June 19	87.59	87.72	87.86	87.05		
Aaa-----	June 19	91.91	91.91	91.91	91.19		
Aa-----	June 19	89.78	89.78	90.06	89.51		
A-----	June 19	87.32	87.32	87.32	86.11		
Baa-----	June 19	82.03	82.15	82.52	81.78		
Railroad Group-----	June 19	84.04	84.04	84.55	84.30		
Public Utilities Group-----	June 19	89.37	89.37	89.09	88.54		
Industrials Group-----	June 19	89.64	89.64	90.06	88.27		
MOODY'S BOND YIELD DAILY AVERAGES:							
U. S. Government Bonds-----	June 19	3.82	3.73	3.79	3.94		
Average corporate-----	June 19	4.59	4.58	4.57	4.63		
Aaa-----	June 19	4.28	4.28	4.28	4.33		
Aa-----	June 19	4.43	4.43	4.41	4.45		
A-----	June 19	4.61	4.61	4.61	4.70		
Baa-----	June 19	5.02	5.01	4.98	5.04		
Railroad Group-----	June 19	4.86	4.86	4.82	4.84		
Public Utilities Group-----	June 19	4.46	4.46	4.48	4.52		
Industrials Group-----	June 19	4.44	4.44	4.41	4.54		
MOODY'S COMMODITY INDEX:							
June 19	371.0	364.5	368.6	366.4			
NATIONAL PAPERBOARD ASSOCIATION:							
Orders received (tons)-----	June 9	379,243	337,569	341,919	351,827		
Production (tons)-----	June 9	345,786	335,045	353,013	332,425		
Percentage of activity-----	June 9	94	91	94	94		
Unfilled orders (tons) at end of period-----	June 9	496,282	460,264	491,708	469,154		
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100:							
June 15	113.72	112.21	114.07	113.08			
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS							
Transactions of specialists in stocks in which registered—							
Total purchases-----	May 25	3,740,800	3,015,140	2,629,470	3,063,550		
Short sales-----	May 25	543,320	796,100	531,470	508,960		
Other sales-----	May 25	2,694,790	2,637,870	2,100,150	2,419,810		
Total sales-----	May 25	3,238,110	3,433,970	2,631,620	2,928,770		
Other transactions initiated off the floor-----							
Total purchases-----	May 25	534,100	334,670	258,910	419,200		
Short sales-----	May 25	56,150	79,300	38,700	26,700		
Other sales-----	May 25	410,530	323,930	289,150	407,030		
Total sales-----	May 25	466,680	403,230	327,850	433,730		
Other transactions initiated on the floor-----							
Total purchases-----	May 25	1,088,871	828,859	776,299	984,324		
Short sales-----	May 25	127,500	191,920	85,660	153,550		
Other sales-----	May 25	890,983	871,209	896,997	856,629		
Total sales-----	May 25	1,018,483	1,063,129	982,657	1,010,179		
Total round-lot transactions for account of members-----							
Total purchases-----	May 25	5,363,771	4,178,669	3,664,679	4,467,074		
Short sales-----	May 25	726,970	1,067,320	655,830	689,210		
Other sales-----	May 25	3,996,303	3,833,009	3,286,297	3,683,469		
Total sales-----	May 25	4,723,273	4,900,329	3,942,127	4,372,679		
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE—SECURITIES EXCHANGE COMMISSION							
Odd-lot sales by dealers (customers' purchases)-----							
Number of shares-----	May 25	2,114,001	2,264,698	1,786,190	1,956,314		
Dollar value-----	May 25	\$126,270,333	\$127,561,320	\$101,311,313	\$113,362,998		
Odd-lot purchases by dealers (customers' sales)-----							
Number of orders—customers' total sales-----	May 25	2,145,014	1,721,165	1,699,125	2,056,216		
Customers' short sales-----	May 25	92,415	60,162	23,531	6,021		
Customers' other sales-----	May 25	2,052,599	1,661,003	1,675,594	2,050,195		
Dollar value-----	May 25	\$129,435,325	\$95,481,176	\$94,719,031	\$108,871,826		
Round-lot sales by dealers-----							
Number of shares—Total sales-----	May 25	644,180	424,155	506,490	665,400		
Short sales-----	May 25	54,180	424,155	506,490	665,400		
Other sales-----	May 25	544,180	424,155	506,490	665,400		
Round-lot purchases by dealers—Number of shares-----	May 25	644,390	927,380	586,070	553,150		
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 25	1,373,130	1,467,370	849,830	776,770		
Other sales-----	May 25	22,412,730	18,725,000	17,185,890	19,318,720		
Total sales-----	May 25	23,785,860	20,192,370	18,035,720	20,095,490		
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR (1957-59=100):							
Commodity Group-----	June 12	100.1	*100.0	100.3	a		
All commodities-----	June 12	95.3	*94.8	96.3	a		
Farm products-----	June 12	99.7	*99.6	99.7	a		
Processed foods-----	June 12	94.3	*93.2	93.9	a		
Meats-----	June 12	100.7	100.7	100.9	a		
All commodities other than farm and foods-----	June 12						
ALUMINUM (BUREAU OF MINES)—							
Production of primary aluminum in the U. S. (in short tons)—Month of April-----		173,659	177,425	144,637			
Stocks of aluminum (short-tons) end of Apr.-----		154,529	170,736	266,389			
AMERICAN TRUCKING ASSOCIATION, INC.—							
Month of March:-----							
Inter-city general freight transport by 396 carriers (in tons)-----		7,365,294	6,449,744	6,542,118			
BANKERS' DOLLAR ACCEPTANCES OUTSTANDING — FEDERAL RESERVE BANK OF NEW YORK—As of May 31:							
Imports-----		\$461,930,000	\$478,502,000	\$378,948,000			
Exports-----		787,084,000	825,953,000	864,308,000			
Domestic shipments-----		23,247,000	15,734,000	20,881,000			
Domestic warehouse credits-----		121,658,000	142,583,000	213,905,000			
Dollar exchange-----		96,102,000	73,887,000	73,943,000			
Based on goods stored and shipped between foreign countries-----		854,804,000	855,370,000	651,015,000			
Total-----		\$2,344,825,000	\$2,392,029,000	\$2,203,000,000			
BUSINESS FAILURES—DUN & BRADSTREET INC.—Month of May:							
Manufacturing number-----		229	200	269			
Wholesale number-----		146	145	117			
Retail number-----		664	767	731			
Construction number-----		237	273	255			
Commercial service number-----		102	119	123			
Total number-----		1,378	1,504	1,545			
Manufacturing liabilities-----		\$29,659,000	\$49,677,000	\$18,944,000			
Wholesale liabilities-----		10,216,000	10,437,000	10,791,000			
Retail liabilities-----		27,569,000	31,691,000	24,776,000			
Construction liabilities-----		15,798,000	24,586,000	19,162,000			
Commercial service liabilities-----		8,270,000	5,440,000	6,798,000			
Total liabilities-----		\$91,512,000	\$121,831,000	\$80,471,000			
COAL EXPORTS (BUREAU OF MINES)—							
Month of April:-----							
U. S. exports of Pennsylvania anthracite (net tons)-----		53,352	177,649	11,768			
To North and Central America (net tons)-----		42,610	45,109	10,215			
To Europe (net tons)-----		6,935	131,005	904			
To South America (net tons)-----		457	1,535				

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. **Note**—This registration is being withdrawn.

Accurate Parts Inc.

March 30, 1962 filed 100,000 common. Price—By amendment (max. \$13). **Business**—Rebuilding and sale of starter drive devices for automobiles. **Proceeds**—For selling stockholders. **Office**—1313 S. Jay St., Kokomo, Ind. **Underwriters**—McDonnell & Co., N. Y. and Raf-fensperger, Hughes & Co., Indianapolis.

Admiral Automotive Products, Inc. (7/2-6)

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 amend-

ment. **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.

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**—Kiddier, Peabody & Co. and Dean-Witter & Co., N. Y. **Offering**—Indefinitely postponed.

Air-Tech Industries, Inc.

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. **Offering**—Postponed.

● Alan-Randal Co., Inc. (6/25-29)

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.

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. (6/25-29)

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 Entertainment Corp. of America, Inc.

June 11, 1962 ("Reg. A") 60,000 common. Price—\$2.50. **Business**—Music publishing, recording, selling and distributing phonograph records; managing of recording artists under contract, and the development and production of jingles for TV and radio. **Proceeds**—For debt repayment, expansion, sales promotion and working capital. **Office**—1697 Broadway, N. Y. **Underwriter**—Reuben Rose & Co., N. Y.

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.

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. **Offering**—Sometime in July.

● Alisco Electronics, Inc. (7/9-13)

March 28, 1962 ("Reg. A") 100,000 class A common. Price—\$3. **Business**—Wholesaling and distributing of electronic parts, kits, components, etc. **Proceeds**—For inventory and working capital. **Office**—2520 N. Broad St., Philadelphia. **Underwriters**—Albert Teller & Co., Inc., and H. A. Riecke & Co., Inc., Philadelphia.

● Alumatron International, Inc.

Nov. 13, 1961 filed 80,000 common. Price—\$5. **Business**—Company plans to construct special type homes, and engage in the general contracting business. **Proceeds**—For general corporate purposes. **Office**—St. Petersburg, Fla. **Underwriters**—B. C. Malloy, Inc., and Hensberry & Co., St. Petersburg; J. Morton & Co., Inc., Sarasota, Fla.

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.

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.

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. **Offering**—Expected in August.

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 Crut-tenden, 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. (6/25-29)

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**—Crut-tenden, Podesta & Miller, Chicago.

● American Laboratories, Inc.

Feb. 28, 1962 filed 200,000 common. Price—By amend-ment (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. **Offering**—Indefinitely postponed.

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● **American Modular Manufacturing Corp.**
(7/10)

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 (7/2-6)**

Feb. 8, 1962 filed 1,300,000 shares of beneficial interest. Price—\$15. Business—A newly-formed business trust which plans to invest in first mortgages. Proceeds—For investment. Office—305 S. County Rd., Palm Beach, Fla. Underwriter—Hayden, Stone & Co., N. Y. Note—This company was formerly named American First Mortgage Investors.

● **American Options Corp.**

April 11, 1962 ("Reg. A") 60,000 common. Price—\$5. Business—Company plans to sell "puts and calls" and may act as a broker-dealer. Proceeds—For general corporate purposes. Office—120 Broadway, N. Y. Underwriter—Provost Securities, Inc., N. Y.

● **American Phoenix Corp.**

Jan. 24, 1962 filed 315,000 class A shares. Price—\$10. Business—General real estate. Proceeds—For corporate purposes. Office—320 Park Ave., N. Y. Underwriter—Interamerica Securities Corp., N. Y.

● **American Plan Corp. (6/25-29)**

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**

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. Offering—Temporarily postponed.

● **American States Life Insurance Co.**

March 22, 1962 filed 300,000 common being offered to stockholders, and those of 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.

★ **Angler Industries, Inc.**

June 15, 1962 ("Reg. A") 120,000 common. Price—\$2.50. Business—Manufacture of electronic hardware, and the assembly of products for the electronics industry. Proceeds—For debt repayment, equipment, advertising and working capital. Office—107 Trumbull St., Elizabeth, N. J. Underwriter—Edward H. Stern & Co., Inc., N. Y.

● **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.

● **Arnav Industries, Inc. (8/6-10)**

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 \$500 debenture and 30 warrants. Price—By amendment. Business—Manufacture of hydraulic system devices and parts for the aircraft and missile industries, etc. Proceeds—For debt repayment and the purchase of additional equipment. Office—32 Industrial Ave., Little Ferry, N. J. Underwriter—Gianis & Co., Inc., N. Y.

● **Artlin Mills, Inc.**

Sept. 28, 1961 filed 135,000 class A common shares. Price—\$5. Business—The purchase, conversion, decoration, gift packaging and distribution of terrycloth towels and cotton pillow cases. Proceeds—For inventory, repayment of loans and working capital. Office—1030 Pearl St., Long Branch, N. J. Underwriter—Mortimer B. Burnside & Co., Inc., N. Y.

● **Ascot Publishing Co., Inc.**

Jan. 29, 1962 ("Reg. A") 103,000 common. Price—\$2. Business—Publishing of a bowling magazine. Proceeds—For general corporate purposes. Office—14 W. 55th St., N. Y. Underwriter—Dana Securities Co., Inc., 80 Wall St., N. Y. Note—This offering has been temporarily postponed.

● **Ascot Textile Corp.**

Feb. 23, 1962 filed 100,000 common. Price—By amendment (max. \$7.50). Business—Converter of linings and interfacings used in the manufacture of clothing. Proceeds—For expansion, debt repayment and working capital. Office—335 W. 35th St., N. Y. Underwriter—To be named. Offering—Temporarily postponed.

● **Assembly Products, Inc. (7/2-6)**

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 Bowling Corp.**

June 18, 1962 filed \$810,000 of 6% subordinated convertible debentures due 1972 to be offered for subscription by common stockholders at the rate of \$100 of debentures for each 200 rights acquired (on the basis of three rights for each share held). Price—At par. Business—Operation of bowling centers in Rhode Island and Massachusetts. Proceeds—For debt repayment, expansion and working capital. Office—100 Medway St., Providence. Underwriter—None.

● **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 registration was withdrawn.

● **Atlantic City Electric Co. (7/18)**

June 8, 1962 filed \$15,000,000 of first mortgage bonds due July 1, 1992. Proceeds—For prepayment of bank loans and construction. Office—1600 Pacific Ave., Atlantic City. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co. Shields & Co. (jointly); Lee Higginson Corp.; Kuhn, Loeb & Co.—American Securities Corp.—Wood, Struthers & Co. (jointly). Bids—Expected July 18 (11 a.m. EDST) at Irving Trust Co., One Wall St., N. Y. Information Meeting—July 16 (11 a.m. EDST) at same address.

● **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. Offering—In mid-August.

● **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. Note—This letter was withdrawn.

● **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 stock-

holders. Price—By amendment (max. \$7). Business—Design, manufacture and sale of kitchen range hoods, exhaust fans and kitchen cabinet hardware. Proceeds—For plant expansion, equipment, debt repayment and working capital. Office—South Main St., Union, Ill. Underwriters—Pierce, Carrison, Wulbern, Inc., Jacksonville, Fla. and A. M. Kidder & Co., Inc., N. Y.

● **Automatic Controls, Inc.**

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. Offering—Expected sometime in July.

● **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.**

Nov. 27, 1961 filed 150,000 common. Price—\$4. Business—Sale of dairy products, through "Dairy Drive-ins" Proceeds—For debt repayment and working capital. Office—32550 Pulaski Dr., Hayward, Calif. Underwriter—Pacific Coast Securities Co., San Francisco. Offering—Expected sometime in July.

● **Bacardi Corp.**

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. Offering—Imminent.

● **Bank "Adanim" Mortgages & Loan Ltd.**

Dec. 29, 1961 filed \$556,000 of 6% cumulative preference dividend participating dollar-linked shares. Price—By amendment. Business—A mortgage lending company. Proceeds—For general corporate purposes. Address—108 Achad Haam St., Tel-Aviv, Israel. Underwriter—Adanim American Israel Investment Co., Inc.

● **Barish Associates, Inc. (7/9-13)**

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.**

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. Offering—Postponed.

● **Barogenics, Inc. (7/30-8/3)**

March 30, 1962 filed 100,000 common. Price—\$7.50. Business—Research and development in ultra high pressure technology and the design and sale of ultra high pressure equipment. Proceeds—For inventories, research, and sales promotion. Office—51 E. 42nd St., N. Y. Underwriter—Globus, Inc., N. Y.

● **Bay State Electronics Corp.**

Oct. 27, 1961 filed 160,000 common. Price—By amendment. Business—Development of products and techniques for use in the fields of oceanography, meteorology, seismology and ionospheric phenomena. Proceeds—For product development and working capital. Office—43 Leon St., Boston. Underwriter—To be named. Offering—Indefinitely postponed.

● **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. Offering—Expected sometime in August.

● **Beauty Industries, Inc. (6/25-29)**

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.

● **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.

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Berne of California, Inc. (7/2-6)

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.

Bestform Foundations, Inc.

Feb. 23, 1962 filed 185,000 common, of which 36,500 are to be offered by the company and 148,500 by stockholders. Price—By amendment (max. \$20). Business—Design and manufacture of popular priced foundation garments. Proceeds—For working capital. Office—38-01 47th Ave., L. I. C., N. Y. Underwriter—Smith, Barney & Co., N. Y. Offering—Temporarily postponed.

Big Mart Discount Stores

March 30, 1962 ("Reg. A") 60,000 common. Price—\$5. Business—Operation of one discount merchandise center and four ladies' hosiery and lingerie stores. Proceeds—For expansion, inventories, working capital and other corporate purposes. Office—249 W. 34th St., N. Y. Underwriter—Amber, Burstein & Co., Inc., N. Y. Offering—Expected sometime in August.

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.

Blankenship, Ostberg, Inc.

May 29, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Furnishing of market research and consulting services. Proceeds—For working capital and general corporate purposes. Office—95 Madison Ave., N. Y. Underwriters—Kenneth Kass and J. J. Krieger & Co., Inc., New York.

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.

Braun Engineering Co.

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

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. (8/20-24)

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.

Buddy L. Corp.

April 2, 1962 filed 225,000 common. Price—By amendment (max. \$10). Business—Design, manufacture and sale of various type toys. Proceeds—For a proposed acquisition of another toy company. Office—200 Fifth Ave., N. Y. Underwriter—Milton D. Blauner & Co., Inc., N. Y. Offering—Sometime in August.

Caldwell Publishing Corp.

June 13, 1962 filed 100,000 common. Price—\$3.50. Business—Company plans to publish classics. Proceeds—For general corporate purposes. Office—339 W. 51st St., N. Y. Underwriter—S. B. Cantor Co., N. Y.

Calvert Electronics, Inc.

March 30, 1962 filed 80,000 common, of which 40,000 are to be offered by company and 40,000 by stockholders. Price—By amendment (max. \$5). Business—Sale and distribution of electronic tubes. Proceeds—Inventory, working capital and other corporate purposes. Office—220E. 23rd St., N. Y. Underwriter—Philips, Rosen & Appel, N. Y.

Cambridge Fund of California, Inc.

Sept. 28, 1961 filed 280,000 common. Price—By amendment. Business—General real estate. Proceeds—Debt repayment and working capital. Office—324 E. Bixby Rd., Long Beach, Calif. Underwriter—To be named.

Cameo Lingerie, Inc. (7/9-13)

Feb. 12, 1962 filed 200,000 common, of which 120,000 are to be offered by the company and 80,000 by stockholders. Price—\$5. Business—Manufacturer of women's and children's tailored panties. Proceeds—For debt repayment, inventory and working capital. Office—Fajardo, Puerto Rico. Underwriter—Schweickart & Co., N. Y.

Canale Chemical Corp.

June 12, 1962 filed \$250,000 of 6% convertible subordinated debentures due 1970 and warrants to purchase 25,000 common shares, to be offered in units of one \$100 debenture and 10 warrants to purchase one share. Price—\$100 per unit. Business—Manufacture of industrial

chemicals for sale primarily to the graphic arts industry. Proceeds—For plant expansion, inventory, sales promotion, research and development. Office—37 Cottage Row, Glen Cove, N. Y. Underwriter—None.

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. Offering—Temporarily postponed.

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. Note—This registration was withdrawn.

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. Note—This registration will be withdrawn.

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 6½% convertible subordinated debentures due 1974. Price—For stock: \$5; for debentures: at par. Business—Company was formed to hold the stocks of a mortgage company, an insurance agency and a real estate development company. Proceeds—For debt repayment and working capital. Office—44 Forsyth St., N. W., Atlanta, Ga. Underwriters—Joseph Walker & Sons, N. Y. and Clark, Landstreet & Kirkpatrick, Inc., Nashville, Tenn. Note—This company formerly was named Continental Investment & Mortgage Co.

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 Real Estate Investment Trust

June 4, 1962 filed 200,000 shares of beneficial interest. Price—\$10. Business—A real estate investment trust. Office—2651 E. 21st St., Tulsa, Okla. Underwriter—DeWitt, Herndon & Co., 720 Enterprise Bldg., Tulsa.

Chemical Coatings Corp.

Dec. 27, 1961 filed 75,000 common. Price—\$5 Business—Manufacture of paints particularly for use in tropical and semi-tropical climates. Proceeds—for equipment and working capital. Address—Santurce, Puerto Rico. Underwriter—Arnold Malkan Growth of Puerto Rico, Inc., Cabrer Bldg., Ponce de Leon Ave., Santurce, P. R. Note—This registration was withdrawn.

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. Offering—Expected sometime in August.

Church Builders, Inc.

Feb. 6, 1961 filed 50,000 shares of common stock, series 2. Price—\$5.50 per share. Business—A closed-end diversified management investment company. Proceeds—For investment. Office—501 Bailey Ave., Fort Worth, Tex. Distributor—Associates Management, Inc., Fort Worth.

Cincinnati Gas & Electric Co. (6/21)

May 7, 1962 filed \$25,000,000 of first mortgage bonds due 1992. Proceeds—To repay bank loans and finance construction. Office—139 East Fourth St., Cincinnati. Underwriters—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.—Lehman Brothers (jointly); Morgan Stanley & Co.—W. E. Hutton & Co. (jointly); Halsey Stuart & Co. Inc.; Blyth & Co. Inc.—First Boston Corp. (jointly); Eastman Dillon, Union Securities & Co.—White, Weld & Co. (jointly). Bids—Expected June 21 (11 a.m. EDST). Information Meeting—June 18 (11 a.m. EDST) at Irving Trust Co. (47th fl.), 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—To be named.

Clark Cable Corp.

April 30, 1962 filed \$787,500 of 6½% conv. subord. debentures due 1972 to be offered for subscription by common stockholders on the basis of \$150 of debentures for each 100 shares held. Price—At par. Business—Manufacture of electrical, electronic and mechanical systems and components, and replacement parts for aircraft, missiles and naval vessels. Proceeds—For working capital. Office—3184 West 32nd St., Cleveland. Underwriter—Robert L. Ferman & Co., Miami, Fla.

Clark Equipment Co.

March 22, 1962 filed 125,000 common. Price—By amendment (max. \$34). Business—Manufacture of trucks, self-propelled construction machinery and highway trailers. Proceeds—For selling stockholders. Office—324 E. Dewey Ave., Buchanan, Mich. Underwriter—Blyth & Co., Inc., N. Y. Note—This registration was withdrawn.

Coburn Credit Co., Inc.

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

College Publishing Corp.

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. Offering—In mid-July.

Colonial Board Co.

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, Conn. Underwriter—Putnam & Co., Hartford, Conn.

Columbia Bancorporation

Feb. 23, 1962 filed \$30,000,000 of convertible subordinated debentures due 1987 and 1,500,000 common to be offered in units 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. Offering—Expected sometime in July.

★ Columbia Realty Trust

June 18, 1962 filed 420,000 class A shares of beneficial interest. Price—\$10. Business—A real estate investment company. Proceeds—For debt repayment and investment. Office—1415 K St., N. W., Washington, D. C. Underwriter—Norman Bernstein Securities, Inc., (same address).

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. (7/2-6)

Dec. 29, 1961 filed 100,000 class A common. Price—\$5. Business—Development and sale of advanced programming systems, for solution of business problems by the use of digital computers. Proceeds—For general corporate purposes. Office—1012 14th St., N. W., Washington, D. C. Underwriter—Doff & Co., N. Y.

Computer Control Co., Inc.

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. Note—This registration was withdrawn.

Concord Products, Inc.

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. Offering—Expected in July.

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. (7/2-6)

Jan. 8, 1962 filed 72,000 common. Price—By amendment. Business—Operation of discount department stores. Proceeds—For expansion and working capital. Office—4701 N. Harlem Ave., Chicago. Underwriters—Rittmaster, Voisin & Co., N. Y. and Midland Securities Co., Inc., Kansas City, Mo.

Continental 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 com-

pany. 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. L.), Inc. (7/2-6)

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.

Corporate Funding Corp. (7/2-6)

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.

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. Offering—In early July.

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.

● Dart Drug Corp. (6/27)

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. (7/2)

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. (7/23-27)

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.

Feb. 27, 1962 filed 102,000 common. Price—\$3. Business—Production of graded diamond powder and compound. Proceeds—For debt repayment, additional personnel, advertising and working capital. Office—77 Searing Ave., Mineola, N. Y. Underwriter—Magnus & Co., N. Y. Offering—Sometime in July.

Diamond Mills Corp.

Jan. 23, 1962 filed 200,000 common, of which 120,000 are to be offered by the company and 80,000 by stockholders. Price—By amendment. Business—Manufacture of women's nylon hosiery. Proceeds—For debt repayment and working capital. Office—417 Fifth Ave., N. Y. Underwriter—Drexel & Co., Philadelphia. Offering—Indefinitely postponed.

★ Diversified Collateral Corp.

June 13, 1962 filed 77,050 common. Price—By amendment (max. \$11.75). Business—A real estate investment company. Proceeds—For investment. Office—8397 N. E. Second Ave., Miami, Fla. Underwriter—Karen Securities Corp., N. Y.

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.

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—115 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).

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Dulany Industries, Inc.
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. Offering—Temporarily postponed.

Dunhill Food Equipment Corp. (7/2-6)
Dec. 29, 1961 filed 100,000 common. Price—\$2.50. Business—Manufacture of food service equipment. Proceeds—For development and working capital. Office—79 Walworth St., Brooklyn, Underwriters—Carroll Co. and Paul Eisenberg Co., Inc., N. Y.

Duro Pen Co., Inc.
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. Offering—Temporarily postponed.

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.
Jan. 22, 1962 ("Reg. A") 143,000 common. Price—\$2. Business—Design, development and production of "packaged" electronic circuits and sub-systems. Proceeds—For new products and working capital. Office—317 Main St., East Rochester, N. Y. Underwriters—Genesee Valley Securities Co., Inc., Rochester, and H. B. Vesey & Co., Inc., Glens Falls, N. Y.

Eastern Camera & Photo Corp.
March 28, 1962 filed \$500,000 of 6% conv. subord. debentures due 1972 and 50,000 common shares (of which 25,000 will be sold by the company and 25,000 by stockholders). The securities are to be offered in units of one \$100 debenture and 10 shares. Price—By amendment. Business—Operation of retail camera stores and department store concessions. Company also processes black and white film and repairs photographic equipment. Proceeds—For debt repayment and working capital. Office—68 W. Columbia St., Hempstead, N. Y. Underwriters—Edwards & Hanley, Hempstead, L. I., and Street & Co., Inc., N. Y. Offering—Indefinitely postponed.

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.

Eastern Properties Improvement Corp.
June 15, 1962 filed \$1,400,000 of 6½% subord. conv. debentures due 1977, and 70,000 common shares to be offered in units of one \$100 debenture and five common. Price—\$150 per unit. Business—General real estate. Proceeds—For general corporate purposes. Office—261 Madison Ave., N. Y. Underwriter—Fleetwood Securities Corp. of America, N. Y.

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. (7/2-6)
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. (7/23-27)
Nov. 17, 1961 filed 75,000 common. Price—\$5. Business—Design and manufacture of precision nuclear magnetic instrumentation. Proceeds—For general corporate pur-

poses. Office—Sawyer Lane, Hudson, Mass. Underwriter—Glanis & 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.

Electronic Wholesalers, Inc.
June 18, 1962 filed 75,000 common. Price—By amendment (max. \$15.50). Business—A distributor of electronic supplies, TV replacement parts, and hi-fi and stereophonic sound reproduction equipment. Proceeds—For debt repayment, inventory, expansion and working capital. Office—2345 Sherman Ave., N. W., Washington, D. C. Underwriter—Auchincloss, Parker & Redpath, Washington, D. C.

Ellner & Pike, Inc. (7/2-6)
May 25, 1962 ("Reg. A") 50,000 common. Price—\$6. Business—Operation of supermarkets. Proceeds—For expansion and working capital. Office—896 Old Country Rd., Westbury, N. Y. Underwriter—Reed, Whitney & Stonehill, 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.

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.

Fairlane Finance Co., Inc.
June 13, 1962 ("Reg. A") \$300,000 of 6½% sinking fund junior subordinated debentures due 1977. Price—At par. Business—An automobile and consumer finance company. Proceeds—For debt repayment, working capital and expansion. Office—Greenville, Rd., Easley, S. C. Underwriter—Alester G. Furman Co., Inc., Greenville, S. C.

Fairway Mart, Inc. (7/9-13)
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. (7/2-6)
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 Realty Investment Trust
June 5, 1962 filed 500,000 shares of beneficial interest with attached three-year stock purchase warrants to be offered in units consisting of 100 shares and 50 warrants. Price—\$500 per unit. Business—A real estate investment trust. Office—729 15th St., N. W., Washington, D. C. Underwriter—Investor Service Securities Inc., Washington, D. C.

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. (7/2-6)
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—Expected in July.

First Connecticut Small Business Investment Co. (7/2-6)
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. Note—This registration was withdrawn.

First Southern Realty Trust
June 15, 1962 filed 600,000 shares of beneficial interest. Price—\$5. Business—A real estate investment trust. Proceeds—For investment. Address—Little Rock, Ark. Underwriter—To be named.

Flex Electric Products, Inc.
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.

Florida Water & Utilities Co.
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 and working capital. Office—1491 N. W. 20th St., Miami. Underwriter—Finkle & Co., N. Y. Offering—Expected in August.

Floseal Corp.
May 10, 1962 filed 169,420 common to be offered for subscription by stockholders. Price—By amendment (max. \$2). Business—Company owns and licenses carton pouring spout patents and die patents. Proceeds—For debt repayment and other corporate purposes. Office—100 W. 10th St., Wilmington, Del. Underwriter—None.

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.

Forst (Alex) & Sons, Inc.
March 23, 1962 filed 100,000 common. Price—By amendment (max. \$15). Business—Wholesale distribution of toys and games. Proceeds—For selling stockholders. Office—2885 Jerome Ave., Bronx, N. Y. Underwriter—McDonnell & Co., N. Y. Offering—Temporarily postponed.

"42" Products, Ltd., Inc.
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. Underwriter—Rutner, Jackson & Gray, Inc., Los Angeles. Offering—July.

Founders Financial Federation, Inc. (7/16-20)
May 4, 1962 filed 135,000 common. Price—\$6. Business—Commercial financing, industrial time sales financing and factoring. Proceeds—For working capital. Office—440 W. 34th St., N. Y. Underwriter—Edward Lewis Co., Inc., N. Y.

● **Four Star Sportswear, 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 August.

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.**
 May 29, 1962 filed \$12,209,000 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. Note—This registration was withdrawn.

Frazier-Walker Aircraft Corp.
 Jan. 26, 1962 filed 140,000 common. Price—By amendment. Business—Company plans to produce its Gyojet 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,-

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NEW ISSUE CALENDAR

June 21 (Thursday)
 Cincinnati Gas & Electric Co. Bonds
 (Bids 11 a.m. EDST) \$25,000,000

June 22 (Friday)
 Pet Milk Co. Debentures
 (Kidder, Peabody & Co., Inc.; G. H. Walker & Co., and
 Julien Collins & Co.) \$20,000,000

June 25 (Monday)
 Alan-Randal Co., Inc. Common
 (Pacific Coast Securities Co.) \$300,000
 Allegheny Pepsi-Cola Bottling Co. Common
 (Suples, Yeatman, Mosley Co., Inc.) 312,500 shares
 Allegheny Pepsi-Cola Bottling Co. Debentures
 (Suples, Yeatman, Mosley Co., Inc.) \$1,250,000
 American Gas Co. Common
 (Offering to stockholders—underwritten by Crutenden,
 Podesta & Miller) 548,532 shares
 American Plan Corp. Units
 (Bear, Stearns & Co.) 248,000 shares
 Aubrey Manufacturing, Inc. Common
 (Pierce, Carrison, Wulbern, Inc. and A. M. Kidder & Co., Inc.)
 140,004 shares
 Beauty Industries, Inc. Common
 (Seymour Blauner Co.) \$299,970
 Electronic Transmission Corp. Common
 (V. S. Wickett & Co., Inc.; Thomas, Williams & Lee, Inc. and
 Crosce & Co., Inc.) \$375,000
 Hampden Fund, Inc. Common
 (Fulton, Reid & Co., Inc.) \$5,000,000
 International Protein Corp. Common
 (Arnold Malkan & Co., Inc.) \$450,000
 Marin County Financial Corp. Capital
 (Dean Witter & Co.) 102,050 shares
 Martin (L. P.) Maintenance Corp. Common
 (Johnson, Lane Space Corp.) \$500,000
 National Semiconductor Corp. Capital
 (Lee Higginson Corp. and Piper, Jaffray & Hopwood)
 75,000 shares
 Packard-Bell Electronics Corp. Debentures
 (Offering to stockholders—underwritten by Kidder, Peabody
 & Co., Inc.) \$5,023,800
 Pay'n Save Corp. Common
 (Dean Witter & Co.) 40,576 shares
 Pay'n Save Corp. Debentures
 (Dean Witter & Co.) \$1,200,000
 West Falls Shopping Center Limited Partnership Units
 (Hodgdon & Co., Inc.) \$444,000
 Worth Financial Corp. Common
 (D. A. Bruce & Co.) \$305,000

June 26 (Tuesday)
 Lockfast Mfg. Co., Inc. Common
 (R. & D. Investors Corp.) \$297,500
 Sierra Pacific Power Co. Bonds
 (Bids 11 a.m. EDST) \$5,000,000

June 27 (Wednesday)
 Dart Drug Corp. Debentures
 (Laird & Co. and Jones, Kreeger & Co.) \$1,000,000
 Public Service Co. of New Hampshire Bonds
 (Bids 11 a.m. EDST) \$24,000,000
 Puget Sound Power & Light Co. Preferred
 (Blyth & Co., Inc. and Merrill Lynch, Pierce, Fenner
 & Smith Inc.) \$15,000,000

June 28 (Thursday)
 Gulf, Mobile & Ohio RR. Equip. Trust Cfs.
 (Bids 12 noon CDST) \$1,575,000
 Stephens (M.) Mfg., Inc. Capital
 (Thomas Jay, Winston & Co., Inc. and I. J. Schein & Co.)
 \$300,000

June 29 (Friday)
 Site-Fab, Inc. Common
 (H. P. Black & Co., Inc.) 135,000 shares

July 2 (Monday)
 Admiral Automotive Products, Inc. Common
 (Baruch Brothers & Co., Inc.) \$400,000
 American Mortgage Investors Ben. Int.
 (Hayden, Stone & Co.) \$19,500,000
 Anchor Industries Corp. Common
 (Amber, Burstein & Co., Inc.) \$308,000
 Arde Inc. Common
 (McDonnell & Co.) 100,000 shares
 Assembly Products, Inc. Conv. Debentures
 (Prescott & Co. and William T. Robbins & Co., Inc.) \$1,250,000
 Bernalen, Inc. Common
 (Amber, Burstein & Co., Inc.) \$183,750
 Berne of California, Inc. Common
 (Adams & Co.) \$255,000
 Computer Concepts Inc. Common
 (Doft & Co.) \$500,000
 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
 Corporate Funding Corp. Class A
 (R. F. Dowd & Co., Inc.) \$300,000
 Decorative Interiors, Inc. Common
 (Lancer Securities Co.) \$130,000
 Dunhill Food Equipment Corp. Common
 (Carroll Co. and Paul Eisenberg Co., Inc.) \$250,000
 Electromagnetic Industries, Inc. Common
 (Pierce, Carrison, Wulbern, Inc.) 70,000 shares

Electromagnetic Industries, Inc. Conv. Debentures
 (Pierce, Carrison, Wulbern, Inc.) \$250,000
 Ellner & Pike, Inc. Common
 (Reed, Whitney & Stonehill, 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
 Gaslight Club, Inc. Common
 (Myron A. Lomasney & Co.) 100,000 shares
 Glensder Corp. Common
 (Sprayregen, Haft & Co.) 150,000 shares
 Honora, Ltd. Common
 (Sunshine Securities, Inc.) \$286,875
 Kavanau Corp. Units
 (Hayden, Stone & Co.) 50,000 units
 Kenner Products Co. Common
 (Kuhn, Loeb & Co.) 542,000 shares
 Lewiston-Gorham Raceways, Inc. Units
 (P. W. Brooks & Co.) \$1,000,000
 Mammoth Mart Inc. Common
 (McDonnell & Co.) 200,000 shares
 Nopco Chemical Co. Debentures
 (Offering to stockholders—underwritten by White, Weld & Co.)
 \$5,800,000
 Oceana International, Inc. Common
 (Baruch Brothers & Co., Inc.) \$825,000
 Orion Electronics Corp. Common
 (A. D. Gilhart & Co., Inc.) \$350,000
 Peerless Radio Corp. Common
 (Kordan & Co., Inc.) \$480,000
 Puerto Rico Brewing Co., Inc. Units
 (Merrill Lynch, Pierce, Fenner & Smith Inc.) \$4,500,000
 RF Interonics, Inc. Common
 (Arnold Malkan & Co.) \$200,000
 Roadcraft Corp. Common
 (Vickers, MacPherson & Warwick, Inc.) 400,000 shares
 Rosenfeld (Henry), Inc. Common
 (Robert A. Martin Associates, Inc.) 120,000 shares
 Saw Mill River Industries, Inc. Common
 (Arnold Malkan & Co., Inc.) \$500,000
 Security Aluminum Corp. Common
 (Vickers, MacPherson & Warwick, Inc.) 200,000 shares
 Shelley Manufacturing Co. Common
 (George, O'Neill & Co., Inc.) \$357,500
 Skiers Service Corp. Common
 (Pacific Coast Securities Co.) 550,000 shares
 Sokol Brothers Furniture Co., Inc. Common
 (Albion Securities Co., Inc.) \$600,000
 Spears (L. B.), Inc. Common
 (Arnold Malkan & Co., Inc.) \$325,000
 Steel Plant Equipment Corp. Common
 (Joseph W. Hurley & Co.) \$208,980
 Sternco Industries, Inc. Class A
 (Andresen & Co.) \$690,000
 Tactair Fluid Controls Corp. Common
 (Stroud & Co., Inc. and Penington, Colket & Co.)
 90,000 shares
 Walston Aviation, Inc. Common
 (White & Co., Inc.) \$562,500

July 9 (Monday)
 Alcolac Chemical Corp. Common
 (Robert Garrett & Sons) 50,000 shares
 AlSCO Electronics, Inc. Class A
 (Albert Teller & Co., Inc. and H. A. Riecke & Co., Inc.)
 \$300,000
 Barish Associates, Inc. Common
 (Gianis & Co.) \$200,000
 Cameo Lingeries, Inc. Common
 (Schweickart & Co.) \$1,000,000
 Dyna Mfg. Co. Common
 (Raymond Moore & Co.) \$300,000
 Fairway Mart, Inc. Common
 (A. J. Carno Co., Inc.) \$300,000
 Frederick's of Hollywood, Inc. Capital
 (Garat & Polonitza, Inc.) \$750,000
 Jaap Penratt Associates, Inc. Common
 (R. F. Dowd & Co., Inc.) \$300,000
 New York Testing Laboratories, Inc. Common
 (Robbins, Clark & Co., Inc.) \$250,000
 Radio Electric Service Co. of New Jersey, Inc. Common
 (Lee-Mosson & Co., Inc.) \$300,000
 Sampson Enterprises, Inc. Common
 (Straus, Blosser & McDowell and Dempsey-Tegeler
 & Co., Inc.) 450,000 shares
 Stelber Cycle Corp. Common
 (Lloyd Securities Inc.) \$600,000
 Unison Electronics Corp. Common
 (Gateway Stock & Bond, Inc.) \$150,000
 Universal Industries, Inc. Common
 (Edward Lewis Co., Inc.) \$500,000
 Western Power & Gas Co. Preferred
 (Paine, Webber, Jackson & Curtis) 150,000 shares
 Wiggins Plastics, Inc. Common
 (Leib, Sklot & Co., Inc.) \$100,000

July 10 (Tuesday)
 American Modular Manufacturing Corp. Common
 (Equity Securities Co.) \$500,000
 New England Telephone & Telegraph Co. Debens.
 (Bids 11 a.m. EDST) \$50,000,000

July 11 (Wednesday)
 Atlantic Coast Line RR. Equip. Trust Cfs.
 (Bids 12 noon EDST) \$3,540,000

July 16 (Monday)
 Continental Telephone Co. Common
 (Allen & Co. and E. F. Hutton & Co.) 475,000 shares
 Founders Financial Federation, Inc. Common
 (Edward Lewis Co., Inc.) \$810,000
 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
 House of Vision, Inc. Common
 (Hornblower & Weeks) 150,000 shares
 Lesser (Louis) Enterprises, Inc. Class A
 (Morris Cohen & Co. and Leiberbaum & Co.) \$10,000,000
 Mac-Allan Co., Inc. Common
 (George K. Baum & Co.) \$651,300
 Midwestern Mortgage Investors Ben. Ints.
 (Boeticher & Co.) \$5,000,000
 National Security Life Insurance Co. Common
 (Underwriter to be named) \$1,750,000
 Regulators, Inc. Common
 (Myron A. Lomasney & Co.) \$375,000
 Valu-Rack, Inc. Common
 (Garat & Polonitza, Inc.) \$1,000,000

July 17 (Tuesday)
 Missouri Power & Light Co. Bonds
 (Bids 11 a.m. EDST) \$6,000,000
 Southern Railway Co. Equip. Trust Cfs.
 (Bids 12 noon EDST) \$9,450,000

July 18 (Wednesday)
 Atlantic City Electric Co. Bonds
 (Bids 11 a.m. EDST) \$15,000,000

July 19 (Thursday)
 Rochester Telephone Corp. Debentures
 (Bids to be received) \$12,000,000

July 23 (Monday)
 DeLuxe Homes, Inc. Common
 (Alessandrini & Co., Inc.) \$300,000
 Electromagnetics Corp. Common
 (Gianis & Co., Inc.) \$375,000
 Kapner, Inc. Common
 (Arnold, Wilkens & Co., Inc.) \$250,000
 National Equipment & Plastics Corp. Common
 (Cortlandt Investing Corp.) \$525,000
 Servotronics, Inc. Capital
 (General Securities Co., Inc.) \$375,000
 Superior Bakers, Inc. Common
 (Balogh & Co.) \$975,000
 Tabach Industries, Inc. Common
 (Costello, Russotto & Co.) \$300,000
 Tujax Industries, Inc. Class A
 (Richard Bruce & Co., Inc. and Reuben Rose & Co., Inc.)
 \$1,200,000
 United Markets, Inc. Common
 (Moran & Co.) \$500,000

July 25 (Wednesday)
 Atlanta Gas Light Co. Debentures
 (Bids 11 a.m. EDST) \$7,500,000

July 30 (Monday)
 Barogenics, Inc. Common
 (Globus, Inc.) \$750,000

July 31 (Tuesday)
 Florida Power & Light Co. Bonds
 (Bids 11:30 a.m. EDST) \$25,000,000

August 2 (Thursday)
 Belt Railway Co. of Chicago Bonds
 (Bids to be received) \$38,000,000

August 6 (Monday)
 Arnav Industries, Inc. Units
 (Gianis & Co., Inc.) 1,200 units

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 20 (Monday)
 Bruce (Michael) Distributors, Inc. Common
 (Gianis & Co., Inc.) \$500,000

August 27 (Monday)
 Iowa Public Service Co. Common
 (Offering to stockholders—Bids to be received)
 320,468 shares

September 11 (Tuesday)
 Southern Railway Co. Equip. Trust Cfs.
 (Bids 12 noon EDST) \$9,450,000

November 7 (Wednesday)
 Georgia Power Co. Bonds
 (Bids to be received) \$23,000,000
 Georgia Power Co. Preferred
 (Bids to be received) \$7,000,000

November 28 (Wednesday)
 Southern Electric Generating Co. Bonds
 (Bids to be received) \$6,500,000

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000 are to be offered by company and 80,000 by a stockholder. Price—\$5. Business—Operation of a mail order business and a chain of women's apparel stores. Proceeds—For expansion and other corporate purposes. Office—6608 Hollywood Blvd., Los Angeles. Underwriter—Garat & Polonitz, Inc., Los Angeles.

Frouge Corp.

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.

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. Offering—Temporarily postponed.

Gaslight Club, Inc. (7/2-6)

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.

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. Offering—Temporarily postponed.

General Classics Inc.

March 23, 1962 filed 105,000 common. Price—\$3. Business—Design, assembly and distribution of trophies, plaques and awards. Proceeds—For debt repayment, new products, expansion and working capital. Office—2555 W. Diversey Ave., Chicago. Underwriter—Michael G. Kletz & Co., N. Y.

General Design Corp.

April 25, 1962 ("Reg. A") 65,000 common. Price—\$3. Business—Design and development of new products for various industries. Proceeds—For debt repayment, equipment and working capital. Office—1252 W. Peachtree St., N. W., Atlanta, Ga. Underwriter—Robert M. Harris & Co., Inc., Philadelphia. Note—The SEC has issued an order temporarily suspending this issue.

General 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.

Gilfillan Corp.

April 4, 1962 filed 254,000 common. Price—By amendment (max. \$18). Business—Development and production of radar and other specialized electronic systems. Proceeds—For selling stockholders. Office—1815 Venice Blvd., Los Angeles. Underwriter—Blyth & Co., Inc., Los Angeles. Offering—Expected in July.

Girard Industries Corp.

March 28, 1962 filed \$250,000 of 6% conv. subord. debentures due 1972 and 90,000 common shares to be sold by certain stockholders. The securities are to be offered in units consisting of a \$100 debenture and 36 shares. Price—By amendment. Business—Manufacture of restaurant

and other type furniture which it sells principally to dealers in Puerto Rico. Proceeds—For equipment and general corporate purposes. Address—San Juan, Puerto Rico. Underwriter—Edwards & Hanley, Hempstead, N. Y. Offering—Indefinitely postponed.

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. Note—These securities will be placed privately.

Glensder Corp. (7/2-6)

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.

Gold Leaf Pharmacal Co., Inc.

March 13, 1962 filed 80,000 common. Price—\$4. Business—Manufacture, development and sale of pharmaceutical and veterinarian products. Proceeds—For advertising, research, debt repayment and working capital. Office—36 Lawton St., New Rochelle, N. Y. Underwriter—Droulia & Co., N. Y.

Good-Era Realty & Construction Corp.

April 2, 1962 filed 550,000 class A shares. Price—\$10. Business—Company plans to develop, operate, construct and manage real estate. Proceeds—For general corporate purposes. Office—151 N. Dean St., Englewood, N. J. Underwriters—Leiberbaum & Co. and Morris Cohon & Co., N. Y. Offering—Expected sometime in July.

Gotham Investment Corp.

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.

Sept. 28, 1961 filed 140,000 common. Price—\$11. Business—Manufacture of paper. Proceeds—Expansion and working capital. Office—Lyons Falls, N. Y. Underwriter—Van Alstyne, Noel & Co., N. Y.

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 4, 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.

March 28, 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 (Henry J.) Instruments Inc.

April 30, 1962 filed 150,000 common. Price—\$2.25. Business—Manufacture of precision instruments for measuring atmospheric conditions. Proceeds—For debt repayment, equipment and working capital. Office—2500 Shames Dr., Westbury, L. I., N. Y. Underwriter—None.

Greenman Bros., Inc.

April 25, 1962 filed 150,000 common, of which 75,000 are to be offered by company and 75,000 by stockholders. Price—\$10. Business—Wholesale and retail distribution of toys, hobby lines and sporting equipment. Proceeds—For debt repayment, inventory and working capital. Office—35 Engel St., Hicksville, N. Y. Underwriter—J. R. Williston & Beane, N. Y.

Gruman-Bond Equipment Corp.

May 28, 1962 filed 100,000 common. Price—\$3. Business—Furnishing of equipment for operation of coin-operated dry cleaning and laundry establishments. Proceeds—For expansion. Office—6400 Chillum Place, N. W., Washington, D. C. Underwriter—Shell Associates, Inc., New York.

Gulf American Land Corp.

Feb. 28, 1962 filed \$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. Offering—In August.

Heck's Discount Centers, Inc.

June 7, 1962 filed 125,000 common. Price—By amendment (max. \$5). Business—Operation of discount stores. Proceeds—For inventory, expansion, debt repayment and working capital. Office—6400 MacCorkle Ave., S. W., St. Albans, W. Va. Underwriter—Willard Securities, 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, Khanbegan, 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. (6/25-29)

Jan. 24, 1962 filed 500,000 common. Price—\$10. Business—A closed-end investment trust which plans to become open end. Proceeds—For investment. Office—2100 East Ohio Bldg., Cleveland. Underwriter—Fulton, Reid & Co., Inc., Cleveland.

Hanna-Barbara Productions, Inc.

Dec. 29, 1961 filed 200,000 capital shares. Price—By amendment. Business—Production of television cartoons and commercials. Proceeds—For a new building and working capital. Office—3501 Cahuega Blvd., Los Angeles. Underwriter—Carl M. Loeb, Rhoades & Co., Inc., N. Y.

Happy House, Inc.

July 28, 1961 filed 700,000 common shares. Price—\$1. Business—The marketing of gifts, candies and greeting cards through franchised dealers. Proceeds—For equipment, inventory and working capital. Office—11 Tenth Ave., S., Hopkins, Minn. Underwriter—None. Offering—Expected in July.

Hardlines Distributors, Inc.

Jan. 26, 1962 filed 200,000 common, of which 100,000 are to be offered by the company and 100,000 by a stockholder. Price—By amendment. Business—Retail sale of housewares, hardware, lighting fixtures, automotive accessories, etc. Proceeds—For debt repayment, expansion and working capital. Office—1416 Providence Highway, Norwood, Mass. Underwriter—McDonnell & Co., N. Y. Offering—Temporarily postponed.

Hargrove Enterprises, Inc.

Dec. 8, 1961 filed 160,000 common. Price—\$5. Business—Company plans to own and operate an amusement park. Proceeds—For property development, advertising, and working capital. Office—3100 Tremont Ave., Chevy Chase, Md. Underwriter—Switzer & Co., Inc., Silver Springs, Md. Offering—Imminent.

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. Offering—Expected in August.

Harrington & Richardson, Inc.

March 7, 1962 filed 180,000 common, of which 40,000 are to be offered by company and 140,000 by stockholders. Price—By amendment (max. \$30). Business—Manufacture and sale of M-14 rifles to U. S. Govt. Proceeds—Equipment, plant expansion and working capital. Office—320 Park Ave., Worcester, Mass. Underwriter—Shearson, Hammill & Co., N. Y. Offering—Temporarily postponed.

Harris (Paul) Stores, Inc.

See Paul, Harris Stores, Inc.

Hart's Food Stores, Inc.

March 28, 1962 filed 235,550 common. Price—By amendment (max. \$16). Business—Operation of supermarkets and small food stores. Proceeds—For selling stockholders. Office—175 Humboldt St., Rochester, N. Y. Underwriter—Merrill Lynch, Pierce, Fenner & Smith Inc., New York. Offering—Expected sometime in August.

Harwyn Publishing Corp.

Jan. 29, 1962 filed 300,000 class A common. Price—By amendment. Business—Publishes illustrated encyclopedic works for children and operates an advertising agency for sale of TV and radio spot time. Proceeds—For working capital. Office—170 Varick St., N. Y. Underwriter—Van Alstyne, Noel & Co., N. Y. Offering—Indefinite.

Hawaii Real Estate Investment Trust

May 18, 1962 filed 1,000,000 shares of beneficial interest and eight-year stock purchase warrants to be offered in units consisting of one share and one warrant. Price—\$10 per unit. Business—A real estate investment trust. Proceeds—For working capital. Address—Honolulu, Hawaii. Underwriter—White, Weld & Co., Inc., N. Y.

Heartland Development Corp.

March 28, 1962 filed 23,300 shares of 5% convertible preference stock to be offered for subscription by stockholders on basis of one preferred share for each 10 common held. Price—\$12. Business—Real estate. Proceeds—For general corporate purposes and debt repayment. Office—40 Beaver St., Albany, N. Y. Underwriter—None.

Helix Land Co., Inc.

April 27, 1962 filed 586,000 capital shares. Price—By amendment (max. \$5). Business—General real estate. Proceeds—For general corporate purposes. Office—4265 Summit Dr., La Mesa, Calif. Underwriter—None.

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.

Honora, 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. (7/16-20)

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.

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.

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, Abalt & 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.

Instrument Components, Inc.

June 11, 1962 ("Reg. A") 135,000 common. Price—\$1. Business—Manufacture and distribution of electro-mechanical rotating devices. Proceeds—For debt repayment, sales promotion and other corporate purposes. Office—312 Mt. Pleasant Ave., Newark, N. J. Underwriter—Gold-Slovin Co., Inc., N. Y.

International Drug & Surgical Corp.

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 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. (6/25-29)

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

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.

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. (7/9-13)

Jan. 30, 1962 filed 100,000 common. Price—\$3. Business—Industrial designing, the design of teaching machines and the production of teaching programs. Proceeds—For expansion, new facilities and working capital. Office—315 Central Park W., N. Y. Underwriter—R. F. Dowd & Co., Inc., N. Y.

Jackson's/Byrons Enterprises Inc.

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 per common). Business—Operation of a chain of retail department stores. Proceeds—For debt repayment

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and working capital. **Office**—29 N. W. 10th St., Miami, Fla. **Underwriter**—Clayton Securities Corp., Boston. **Offering**—Indefinitely postponed.

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.

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.

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. **Offering**—Expected in July.

Jaylis Industries, Inc.

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. **Offering**—Temporarily postponed.

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.

Dec. 21, 1961 filed 114,500 common, of which 82,500 are to be offered by the company and 32,000 by stockholders. **Price**—By amendment. **Business**—Development of simulated weapons training devices for U. S. Armed Forces and the manufacture of electronic control equipment. **Proceeds**—For general corporate purposes. **Office**—102 Dorsa Ave., Livingston, N. J. **Underwriter**—Seariths, Ahalt & O'Connor, Inc., N. Y. **Offering**—In July.

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. (7/23-27)

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.

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. (7/2-6)

March 29, 1962 filed 50,000 shares 6% cum. preferred and four-year common stock purchase warrants to be offered in units consisting of one preferred and one warrant. **Price**—By amendment (max. \$101 per unit). **Business**—Real estate investment. **Proceeds**—For debt repayment and working capital. **Office**—30 E. 42nd St., N. Y. **Underwriter**—Hayden, Stone & Co., N. Y.

Kay Foods Corp.

Dec. 29, 1961 filed 88,000 class A common shares, of which 44,000 are to be offered by the company and 44,000 by stockholders. **Price**—\$7. **Business**—Packing and sale of fruit juice products. **Proceeds**—For general corporate

purposes. **Office**—241 N. Franklinton Rd., Baltimore. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C. **Offering**—Indefinitely postponed.

Keene Packaging Associates

April 2, 1962 filed 165,000 common, of which 100,000 are to be offered by company and 65,000 by stockholders. **Price**—\$4. **Business**—Design and manufacture of semi-rigid vinyl plastic cases and containers for packaging. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—947 Newark Ave., Elizabeth, N. J. **Underwriter**—Hardy & Co., N. Y. **Offering**—Expected in late July.

Kelley Realty Corp.

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. **Offering**—Postponed.

Kenner Products Co. (7/2-6)

March 30, 1962 filed 542,000 common, of which 205,000 are to be offered by company and 317,000 by stockholders. **Price**—By amendment (max. \$24). **Business**—Manufacture, design, and distribution of plastic toys. **Proceeds**—For general corporate purposes. **Office**—912 Sycamore St., Cincinnati, Ohio. **Underwriter**—Kuhn, Loeb & Co., New York.

Keystone Discount Stores, Inc.

May 24, 1962 filed 110,000 common. **Price**—By amendment (\$5.25). **Business**—Operation of three retail discount stores. **Proceeds**—For expansion. **Address**—R. D. No. 2, North Lebanon Township, Lebanon, Pa. **Underwriters**—Suplee, Yeatman, Mosley Co., Inc. and Woodcock, Moyer, Fricke & French, Inc., Philadelphia.

Kine Camera Co., Inc.

Nov. 21, 1961 filed 75,000 common. **Price**—\$5. **Business**—Importing and distribution of cameras, binoculars and photographic equipment. **Proceeds**—For debt repayment and working capital. **Office**—889 Broadway, N. Y. **Underwriter**—Underhill Securities Corp., N. Y.

Kingsberry Homes Corp.

April 9, 1962 filed 140,000 shares of capital stock of which 100,000 will be offered by company and 40,000 by stockholders. **Price**—By amendment (max. \$17.50). **Business**—Manufacture of prefabricated homes. **Proceeds**—For a new plant. **Office**—1725 S. Gault Ave., Ft. Payne, Ala. **Underwriters**—The Robinson-Humphrey Co., Inc., Atlanta, and J. C. Bradford & Co., Nashville. **Offering**—Indefinitely postponed.

(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. **Offering**—Expected in late July.

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 29, 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.

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. **Offering**—Temporarily postponed.

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).

Leombo 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 Leiberman & 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. (7/2-6)

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.

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. Bishings 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.

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. **Offering**—In July.

Lockfast Mfg. Co. (6/26)

Jan. 11, 1962 ("Reg. A") 85,000 common. **Price**—\$3.50. **Business**—Manufacture of furniture hardware for sale to furniture manufacturers. **Proceeds**—For debt repayment, steel inventories and plant expansion. **Office**—3006 Boardman Ave., Baltimore. **Underwriter**—R & D Investors Corp., Port Washington, N. Y.

Lockwood Grader Corp.

Feb. 20, 1962 filed \$900,000 of 6% sinking fund debentures series B, (with warrants). **Price**—\$1,000 per debenture. **Business**—Design, manufacture, sale and repair of machinery and equipment used in agriculture. **Proceeds**

—For debt repayment, equipment and general corporate purposes. **Office**—7th & S Sts., Gering, Neb. **Underwriter**—First Nebraska Securities Corp., Lincoln, Neb. **Offering**—Temporarily postponed.

Logos Financial, Ltd.

April 11, 1962 filed 250,000 capital shares. **Price**—By amendment (max. \$10). **Business**—A diversified closed-end investment company. **Proceeds**—For investment. **Office**—26 Broadway, N. Y. **Underwriter**—Filor, Bullard & Smyth, N. Y.

Lordhill Corp.

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. **Offering**—Temporarily postponed.

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**—Indefinitely postponed.

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**—Postponed.

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. (7/16-20)

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**—560 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.

Marin County Financial Corp. (6/25-29)

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.

Marine Investors, Inc.

June 11, 1962 ("Reg. A") 35,000 common. **Price**—\$5.50. **Business**—An investment company. **Proceeds**—For general corporate purposes. **Office**—1725 Gage Ave., Topeka, Kansas. **Underwriter**—None.

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. (6/25-29)

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.

Masters, Inc.

March 22, 1962 filed \$1,500,000 of 6% conv. subord. debentures due 1972; also 150,000 common shares, of which 80,000 will be offered by the company and 70,000 by a stockholder. The securities will be offered in units of one \$100 debenture and 10 common shares, except that up to \$700,000 of debentures and 70,000 shares may be offered separately. **Price**—For debentures, at par; for common, \$10. **Business**—Operation of discount department stores selling a wide variety of merchandise. **Proceeds**—For expansion. **Office**—135-21 38th Ave., Flushing, N. Y. **Underwriters**—Sterling, Grace & Co., and Norton, Fox & Co., Inc., N. Y.

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.

Maxwell Industries, Inc.

June 7, 1962 filed \$750,000 of 6½% subord. sinking fund debentures due 1972, 75,000 common and 10-year warrants to be offered in units consisting of a \$10 debenture, one common share and one warrant. **Price**—By amendment (max. \$21.50 per unit). **Business**—Contract finisher of fabrics used in the manufacture of wearing apparel. **Proceeds**—For debt repayment. **Office**—70 Wall St., N. Y. **Underwriter**—H. M. Frumkes & Co., N. Y.

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**—Charles Plohn & Co., New York.

Medical Industries Fund, Inc.

Oct. 23, 1961 filed 25,000 common. **Price**—\$10. **Business**—A closed-end investment company which plans to become open-end. **Proceeds**—For investment in the medical industry and capital growth situations. **Office**—677 Lafayette St., Denver. **Underwriter**—Medical Associates, Inc., Denver.

Medical Video Corp.

Nov. 13, 1961 filed 250,000 common. **Price**—\$10. **Business**—Manufacture of medical electronic equipment. **Proceeds**—For general corporate purposes. **Office**—Studio City, Calif. **Underwriter**—Financial Equity Corp., Los Angeles.

Memorial Services, Inc.

April 30, 1962 filed 1,200,000 common. **Price**—\$1. **Business**—Company plans to acquire and operate funeral homes. **Proceeds**—For acquisitions, debt repayment and working capital. **Office**—315 E. Sixth Ave., Helena, Mont. **Underwriter**—Memorial Securities, Inc., Helena.

Mercantile Stores Co., Inc.

May 24, 1962 filed 169,302 common. **Price**—By amendment (max. \$26). **Business**—Operation of a chain of department stores. **Proceeds**—For selling stockholders. **Office**—100 W. 10th St., Wilmington, Del. **Underwriter**—Clark, Dodge & Co., Inc., N. Y.

Mercer 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.

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. **Offering**—Temporarily postponed.

Met Food Corp.

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. **Offering**—In July.

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

Dec. 20, 1961 filed 1,000,000 shares of beneficial interest. **Price**—\$6.50. **Business**—A real estate investment trust. **Proceeds**—For general corporate purposes. **Office**—1700 K St., N. W., Washington, D. C. **Underwriter**—Eisele & King, Libraire, Stout & Co., N. Y. **Offering**—Indefinitely postponed.

Micro-Dine Corp.

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.

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 (7/16-20)

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 production and development of the valve. **Office**—5909 Hollywood Blvd., Hollywood, Calif. **Underwriter**—Brown & Co., Phoenix, Ariz.

Missouri Power & Light Co. (7/17)

June 18, 1962 filed \$6,000,000 of first mortgage bonds due 1992. **Proceeds**—For construction. **Office**—106 West High

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St., Jefferson City, Mo. Underwriters — (Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; White, Weld & Co. Bids—July 17, 1962 (11 a.m. EDST) at One Chase Manhattan Plaza, Room 2318. Information Meeting—July 13 (2:30 p.m. EDST) at above address (28th floor).

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.

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. Offering—Temporarily postponed.

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 Cohn & Co., N. Y. Offering—Expected sometime in late July.

Morse Electro Products Corp.

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.

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., Beverly Hills, Calif.

Mosler Safe Co.

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.

Mr. C., Inc.

June 13, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Sale of women's clothing. Proceeds—For expansion. Office—c/o William V. Webb, 310 Denver Club Bldg., Denver 2, Colo. Underwriter—None.

Multi State Industries, Inc.

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. Offering—Temporarily postponed.

Multronics, Inc.

Jan. 5, 1962 ("Reg. A") 100,000 capital shares. Price—\$3. Business—Production of electronic parts and components and the furnishing of consulting services in the radio-engineering field. Proceeds—For debt repayment, equipment, and working capital. Office—2000 P St., N. W. Washington, D. C. Underwriter—Switzer & Co., Inc., Silver Spring, Md.

Municipal Investment Trust Fund, 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, New York.

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 being offered for subscription by stockholders of record June 13 with rights to expire Sept. 11, 1962. Price—\$10. Business—Rental of vehicles and related activities. Proceeds—For expansion. Office—1000 Milner Bldg., Jackson, Miss. Underwriter—None.

National Directories, Inc.

March 29, 1962 ("Reg. A") 100,000 common. Price—\$2.75. Business—Compilation and publication of regional classified telephone directories. Proceeds—For general corporate purposes. Office—3306 Lancaster Ave., Philadelphia. Underwriters—William, David & Motti, Inc. and Crichton, Cherashore & Co., Inc., N. Y.

National Equipment & Plastics Corp. (7/23-27)

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. (7/16)

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. (6/25-29)

May 11, 1961 filed 75,000 shares of capital stock. Price—To be supplied by amendment. Business—The design, development, manufacture and sale of quality transistors for military and industrial use. Proceeds—For new equipment, plant expansion, working capital, and other corporate purposes. Office—Mallory Plaza Bldg., Danbury, Conn. Underwriters—Lee Higginson Corp., N. Y. C. and Piper, Jaffray & Hopwood, Minneapolis (mgr.).

National Tele-Systems, Inc.

Feb. 27, 1962 filed 82,000 common, of which 65,000 are to be offered by company and 17,000 by stockholders. Price—\$3. Business—Manufacture of closed circuit TV systems. Proceeds—For inventory, debt repayment and working capital. Office—718 Atlantic Ave., Brooklyn, N. Y. Underwriter—Ezra Kureen & Co., N. Y.

Nationwide Bowling Corp.

Oct. 19, 1961 filed 100,000 capital shares (with attached warrants). Price—By amendment. Business—The operation of bowling centers. Proceeds—For a realty acquisition and working capital. Office—11 Commerce St., Newark, N. J. Underwriter—Jennings, Mandel & Longstreth, Philadelphia. Note—This registration was withdrawn.

New Brunswick Scientific Co., Inc.

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. Note—This letter was withdrawn.

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 being offered for subscription by common stockholders on the basis of one new share for each 15 held of record June 14 with rights to expire June 29. Price—\$21. Proceeds—For loans to subsidiaries and other corporate purposes. Office—441 Stuart St., Boston. Underwriter—None.

New England Telephone & Telegraph Co. (7/10)

June 20, 1962 filed \$50,000,000 of debentures due 2002. Proceeds—To repay advances from A. T. & T., parent. Office—185 Franklin St., Boston. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc. Bids—July 10, 1962 (11 a.m. EDST) at 195 Broadway, N. Y.

New Plan Realty Corp.

Jan. 24, 1962 filed 150,000 class A shares. Price—\$11. Business—A real estate management company. Proceeds—For debt repayment, working capital, and general corporate purposes. Office—369 Lexington Ave., N. Y. Underwriter—None.

New York Testing Laboratories, Inc. (7/9-13)

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.

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.

Norway (Kingdom of)

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. Offering—Temporarily postponed.

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. (7/2-6)

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. Offering—In September.

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. (7/2)

Aug. 28, 1961 filed 100,000 common. Price—\$3.50. Business—The manufacture of precision electronic sub-systems for the generation, detection and control of frequencies up through the microwave region. Proceeds—For expansion, equipment and working capital. Address—Tuckahoe, N. Y. Underwriter—A. D. Gilhart & Co., Inc., N. Y. C.

Orr (J. Herbert) Enterprises, Inc.

May 1, 1962 filed 285,000 common. Price—\$10.50. Business—Company's subsidiaries manufacture cartridge tape recorders and programs therefor and men's and boys' dress trousers. Proceeds—For debt repayment, advertising and working capital. Address—Opelika, Ala. Underwriter—None.

Outlet Mining Co., Inc.

Feb. 28, 1962 filed 900,000 common. Price—\$1. Business—Mining. Proceeds—For equipment and working capital. Address—Creede, Colo. Underwriter—None.

Pacific States Steel Corp.

June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. Price—\$6. Business—The manufacture of steel products. Proceeds—For the selling stockholder. Office—35124 Alva-

rado-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. Offering—Expected in Aug.

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.

Parkway Laboratories, Inc.
Dec. 6, 1961 filed 160,000 common. Price—\$5. Business—Manufacture of drugs and pharmaceuticals. Proceeds—For an acquisition, research and other corporate purposes. Office—2301 Pennsylvania Ave., Philadelphia. Underwriter—Arnold Malkan & Co., Inc., N. Y.

Paul, Harris Stores, Inc.
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, Conn & Shumaker, Indianapolis and Crutenden, Podesta & Miller, Chicago. Offering—Indefinitely postponed.

Pay'n Save Corp. (6/25-29)
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 Witt & Co., San Francisco.

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. (7/2-6)
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, Fort Reading, N. J. Underwriter—Mortimer B. Burnside & Co., Inc., N. Y. Offering—Temporarily postponed.

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).

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.
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. Offering—Expected sometime in July.

Perma-Bilt Enterprises, Inc.
May 23, 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. Offering—Expected in late Fall.

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. Menseh Securities Co., Washington, D. C.

Pet Milk Co. (6/22)
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.

Physionics, Inc.
June 7, 1962 ("Reg. A") 100,000 class B common. Price—\$2. Business—Research and development of electrical and electronic devices which company plans to manufacture and sell. Proceeds—For debt repayment, equipment and advertising and sales promotion. Address—Rural Route 1, Box 545, Castle Rock, Colo. Underwriter—None.

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. Offering—Expected in late July.

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 cor-

porate 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.

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—Postponed.

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. Offering—Expected sometime in late July.

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. EDST) in Room 166, Parker House, Boston. Information Meeting—June 25 (3:30 p.m. EDST) 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—1160 Connecticut Ave., N. W., Washington, D. C. Underwriter—Roth & Co., Inc., Philadelphia.

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● **Puerto Rico Brewing Co., Inc. (7/2-6)**

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. (6/27)**

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.

● **Queensway Mines Ltd.**

March 15, 1962 filed 150,000 capital shares. Price—\$1. Business—Mining. Proceeds—For debt repayment, surveying and general corporate purposes. Office—Suite 1212, 55 York St., Toronto. Underwriter—Asta Corporation Ltd., Toronto.

● **RF Interonics, Inc. (7/2-6)**

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. (7/9-13)**

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. (7/16-20)**

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.

● **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.**

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. Offering—Indefinitely postponed.

● **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.**

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. (7/2-6)**

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.**

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. Offering—Expected in July.

● **Rosenfeld (Henry), Inc. (7/2-6)**

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.

● **Roving Eye Systems, Inc.**

June 11, 1962 ("Reg. A") 1,000 common. Price—\$100. Business—Company plans to construct, manufacture and market a new device in the field of industrial television systems. Proceeds—For organizational expenses. Office—1403 Wade Hampton Blvd., Greenville, S. C. Underwriter—None.

● **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.**

Nov. 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 & Salant, Inc.**

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. Offering—Temporarily postponed.

● **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.**

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. Offering—July.

● **Schaevitz Engineering**

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. Offering—Expected sometime in July.

● **Schlitz (Jos.) Brewing Co.**

March 2, 1962 filed 347,543 common. Price—By amendment (max. \$35). Business—Brewing of "Schlitz" and "Old Milwaukee" beers. Proceeds—For selling stockholders. Office—235 W. Galena St., Milwaukee. Underwriter—Glore, Forgan & Co., Chicago. Offering—Indefinitely postponed.

● **Schlumberger Ltd.**

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.

● **Schwartz (Sidney) Realty Corp.**

June 13, 1962 filed 500,000 class A shares. Price—\$10. Business—Real Estate investment. Proceeds—For acquisitions and working capital. Office—560 Fifth Ave., N. Y. Underwriters—Morris Cohon & Co. and Lieberbaum & Co., N. Y.

● **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. (7/2-6)**

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. 28, 1961 filed 110,000 common. Price—By amendment. Business—Design and manufacture of networks for data and program transmission, filters, transceivers and related electronic equipment. Proceeds—For equipment, research and development, repayment of loans and working capital. Office—12 Hinsdale St., Brooklyn. Underwriter—Searight, Ahalt & O'Connor, Inc., N. Y. Offering—Expected sometime in July.

● **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 fi-

nance and related businesses. **Proceeds**—For general corporate purposes. **Office**—830 N. Central Ave., Phoenix. **Underwriter**—None.

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. (7/23-27)**
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. (7/2-6)**
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, New York City.

● **Signalite Inc.**
Jan. 29, 1962 filed 126,000 common. **Price**—\$4.50. **Business**—Manufacture, sale and development of glow lamps for use as indicators and circuit components. **Proceeds**—For debt repayment, equipment and working capital. **Office**—1933 Heck Ave., Neptune, N. J. **Underwriter**—Milton D. Blauner & Co., N. Y. **Offering**—In August.

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. (7/2-6)
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. (7/2-6)
Sept. 28, 1961 filed 240,000 common. **Price**—\$2.50. **Business**—The instalment retailing of furniture, appliances and other household goods. **Proceeds**—For expansion and modernization of buildings, repayment of debt and working capital. **Office**—253 Columbia St., Brooklyn, N. Y. **Underwriter**—Albion Securities Co., Inc., N. Y.

● **Solid State Products, Inc.**
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. **Offering**—Indefinitely postponed.

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.

★ **South Carolina Finance Corp.**
June 6, 1962 ("Reg. A") \$250,000 of 5-year subord. debentures. **Price**—At par. **Business**—A consumer finance company. **Proceeds**—For debt repayment. **Office**—7896 Georgia Ave., Silver Spring, Md. **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.

★ **Southbridge Water Supply Co.**
June 11, 1962 ("Reg. A") 3,000 common to be offered for subscription by stockholders on the basis of three new shares for each four held. **Price**—\$57.50. **Business**—Company plans to supply water to town of Southbridge, Mass. **Proceeds**—For working capital and general corporate purposes. **Office**—70 Foster St., Southbridge, Mass. **Underwriter**—Kinsley & Adams, Worcester, Mass.

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.

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 electronic 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. **Offering**—In September.

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.

Steel Plant Equipment Corp. (7/2-6)
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. (7/9-13)**
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. (6/28)**
March 28, 1962 ("Reg. A") 75,000 capital shares. **Price**—\$4. **Business**—Manufacture and distribution of electrical fittings and connectors. **Proceeds**—For debt repayment, inventory, equipment and working capital. **Office**—814 E. 29th St., Los Angeles. **Underwriters**—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif., and I. J. Schein Co., N. Y.

Sterno Industries, Inc. (7/2-6)
Feb. 11, 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., Northeast, Minneapolis. **Underwriter**—Irving J. Rice & Co., Inc., St. Paul.

Sun City Dairy Products, Inc.
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. **Offering**—Expected in August.

● **Superior Bakers, Inc. (7/23-27)**
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. (7/23-27)**
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., 9301 Wilshire Blvd., Beverly Hills, Calif.

Tactair Fluid Controls, Corp. (7/2-6)
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.

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.

Teaching Systems, Inc.
June 1, 1962 ("Reg. A") 50,000 common. **Price**—\$2. **Business**—Production and sale of educational audio-visual teaching aids. **Proceeds**—For equipment, promotion and advertising and working capital. **Office**—1650 Broadway, N. Y. **Underwriter**—Creative Ventures Corp., 733 Third Ave., N. Y.

Technical Capital Corp.
April 30, 1962 filed 500,000 common. **Price**—\$10. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—235 E. 42nd St., N. Y. **Underwriter**—Straus, Blosser & McDowell, Chicago.

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 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.
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. **Offering**—Temporarily postponed.

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● **Thompson Manufacturing Co., Inc.**

Dec. 22, 1961 filed 90,000 common, of which 80,000 shares are to be offered by the company and 10,000 by stockholders. Price—\$4. Business—Design and manufacture of special machinery for 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. Offering—Expected sometime in July.

● **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.**

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. Offering—Postponed.

● **Towers Marts International, Inc.**

Feb. 1, 1962 filed 550,000 capital shares. Price—By amendment. Business—Company builds and operates retail discount department stores. Proceeds—For expansion. Office—41 E. 42nd St., N. Y. Underwriter—W. C. Langley & Co., N. Y.

● **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.**

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. Offering—Expected sometime in July.

● **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.

● **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. Note—This registration was withdrawn.

● **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. (7/23-27)**

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.**

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. Offering—Expected in July.

● **Unilux, Inc.**

June 12, 1962 filed 40,000 class A shares. Price—\$10. Business—Production of electronic flash systems for photography, etc. Proceeds—For equipment, sales promotion, research and development, and other corporate purposes. Office—120 Liberty St., N. Y. Underwriter—None.

● **Unison Electronics Corp. (7/9-13)**

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. Note—This registration was withdrawn.

● **United Markets Inc. (7/23-27)**

March 15, 1962 filed 100,000 common. Price—\$5. Business—Operation of "Foodtown" supermarkets. Proceeds—For general corporate purposes. Office—531 Ferry St., Newark, N. J. Underwriter—Moran & Co., Newark, N. J.

● **United 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.**

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.**

Nov. 29, 1961 filed 102,000 common. Price—\$3. Business—A general packaging business. Proceeds—For new machinery, debt repayment and working capital. Office—4511 Wayne Ave., Philadelphia. Underwriter—Godfrey, Hamilton, Taylor & Co., Inc., N. Y. Offering—Temporarily postponed.

● **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. Note—This registration was withdrawn.

● **United Telephone Services, Inc.**

March 30, 1962 filed 150,000 class A common. Price—By amendment (max. \$5). Business—A telephone holding company. Proceeds—For debt repayment, equipment and working capital. Office—645 First Ave., N. Y. Underwriter—J. R. Williston & Beane, N. Y. Offering—Postponed.

● **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. (7/9-13)**

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 120,000 common. Price—\$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. Offering—Imminent.

● **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. Proceeds—For debt repayment and working capital. Office—379 17th St., Ogden, Utah. Underwriter—Schwabacher & Co., San Francisco. Offering—Indefinitely postponed.

● **Utah Gas Service Co.**

June 18, 1962 filed 30,000 class A common. Price—By amendment (max. \$10). Business—A public utility engaged in the purchase, distribution and sale of natural gas in eastern Utah. Proceeds—For selling stockholders. Office—511 Deseret Bldg., Salt Lake City. Underwriter—First Nebraska Securities Corp., Lincoln, Neb.

● **Utah Gas Service Co.**

June 18, 1962 filed \$1,100,000 of 6% first mortgage bonds due 1982, of which up to \$800,000 will be offered in exchange for an equal amount of outstanding 6% first mortgage bonds due 1975, and the balance, together with any unchanged bonds, will be offered for public sale. Price—At par. Business—A public utility engaged in the purchase, distribution and sale of natural gas in eastern Utah. Proceeds—For general corporate purposes. Office—511 Deseret Bldg., Salt Lake City. Underwriter—First Nebraska Securities Corp., Lincoln, Neb.

● **U-Tell Corp.**

Sept. 18, 1961 ("Reg. A") 33,097 common. Price—\$5. Business—Operation of a discount department store. Office—3629 N. Teutonia Ave., Milwaukee, Wis. Underwriter—Continental Securities Corp., Milwaukee, Wis. Offering—Temporarily postponed.

● **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.**

Jan. 12, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Manufacture of coin operated vending machines. Proceeds—For an acquisition and general corporate purposes. Office—1290 Bayshore Blvd., Burlingame, Calif. Underwriter—Pacific Coast Securities Co., San Francisco. Offering—Expected in July.

● **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.

● **Verjan 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. Offering—Expected sometime in July.

● **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. Note—This registration was withdrawn.

● **Video Color Corp.**

April 6, 1962 filed 1,000,000 common. Price—\$1.15. Business—Development, manufacture and distribution of pic-

ture 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.

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.

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. **Offering**—Imminent.

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.

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. **Underwriter**—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 Power & Gas Co. (7/9-13)

June 12, 1962 filed 150,000 cumulative preferred (no par). **Price**—By amendment (max. \$50). **Proceeds**—For prepayment of bank loans, redemption of 4¼% debentures due 1970, construction and other corporate purposes. **Office**—144 S. 12th St., Lincoln, Neb. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y.

Western States Real Investment Trust

Nov. 13, 1961 filed 32,000 shares of beneficial interest. **Price**—\$6.25. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—403 Ursula St., Aurora, Colo. **Underwriter**—Westco Corp., Aurora, Colo.

Whirlpool Corp.

April 25, 1962 filed 1,000,000 common. **Price**—By amendment (max. \$30.125). **Business**—Manufacture and sale of home appliances. **Proceeds**—For selling stockholder (Radio Corp. of America). **Address**—Benton Harbor, Mich. **Underwriter**—Lehman Brothers, N. Y. **Note**—This offering was indefinitely postponed.

White Lighting Co.

Feb. 26, 1962 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Manufacture and distribution of electrical and lighting fixtures. **Proceeds**—For debt repayment, equipment and working capital. **Office**—5221 W. Jefferson Blvd., Los Angeles. **Underwriter**—Costello, Rusotto & Co., 9301 Wilshire Blvd., Beverly Hills, Calif. **Offering**—Imminent.

Widman (L. F.), Inc.

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. **Offering**—Temporarily postponed.

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. (7/9-13)

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**—Leib, Skloot & Co., Inc., Clifton, N. J.

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.

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.

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. **Offering**—Expected in mid-August.

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.

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. (6/25-29)

Mar. 22, 1962 filed 61,000 common. **Price**—\$5. **Business**—Financing of commercial accounts receivable. **Proceeds**—For general corporate purposes. **Office**—114 E. 40th St., N. Y. **Underwriter**—D. A. Bruce & Co., N. Y.

Wulpa Parking Systems, Inc.

June 7, 1962 ("Reg. A") 50,000 common. **Price**—\$4. **Business**—Company plans to manufacture and operate in the U. S. a parking device called the "Wulpa Lift." **Proceeds**—For manufacture, purchase or lease of locations and working capital. **Office**—370 Seventh Ave., N. Y. **Underwriter**—I. R. E. Investors Corp., Levittown, New York.

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.

Zestee Foods, Inc.

June 8, 1962 ("Reg. A") 85,700 common. **Price**—\$3.50. **Business**—Manufacture and sale of jellies and preserves. **Proceeds**—For equipment, advertising, plant expansion and inventory. **Office**—2808 S. Western Ave., Oklahoma City. **Underwriter**—F. R. Burns & Co., Oklahoma City.

ATTENTION UNDERWRITERS!

Do you have an issue you're planning to register? Our Corporation News Department would like to know about it so that we can prepare an item similar to those you'll find hereunder.

Would you telephone us at REctor 2-9570 or write us at 25 Park Place, New York 7, N. Y.

Prospective Offerings

Atlanta Gas Light Co. (7/25)

June 12, 1962 it was reported that this utility plans to sell \$7,500,000 of debentures due Aug. 1, 1982. **Office**—243 Peachtree St., N. E. Atlanta. **Underwriters**—(Competitive). Probable bidders: Stone & Webster Securities Corp.; White, Weld & Co.—Kidder, Peabody & Co. (jointly); First Boston Corp.; Shields & Co.; Halsey, Stuart & Co. Inc.; Equitable Securities Corp.—Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Expected July 25 (11 a.m. EDST) at 90 Broad St. (19th floor), New York. **Information Meeting**—July 23 (11 a.m. EDST) at same address.

Atlantic Coast Line RR. (7/11)

June 13, 1962 it was reported that company plans to issue approximately \$3,540,000 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 July 11 (12 noon EDST).

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).

Belt Railway Co. of Chicago (8/2)

June 18, 1962 it was reported that this company plans to sell approximately \$38,000,000 of first mortgage bonds, due 1987. **Office**—Dearborn Station, Chicago. **Underwriters**—(Competitive). Probable bidders: Kidder, Peabody & Co.—New York Hanseatic Corp. (jointly); Salomon Brothers & Hutzler; Halsey, Stuart & Co. Inc.; First Boston Corp. **Bids**—Expected Aug. 2, 1962 at the company's offices. **Information Meeting**—July 11 (10:15 a.m. CDST) same address.

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.

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Columbia Gas System, Inc.

June 12, 1962 it was reported that the company plans to sell \$25,000,000 of securities, possibly debentures, in the Fall. **Proceeds**—For construction. **Office**—120 E. 41st St., New York City. **Underwriters**—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.; White, Weld & Co. (jointly); Morgan Stanley & Co.; Halsey, Stuart & Co. Inc.

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.

June 14, 1962 it was reported that this company plans to sell about \$40,000,000 of securities, probably first mortgage bonds in the 4th quarter. **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. (7/31)

June 11, 1962 it was reported that this utility plans to issue \$25,000,000 of first mortgage bonds due 1992. **Office**—25 S. E. Second Ave., Miami, Fla. **Underwriters**—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co. Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc. **Bids**—Expected July 31 (11:30 a.m. EDT).

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.

General Motors Corp.

June 19, 1962 it was reported that a group of major shareholders of E. I. du Pont de Nemours & Co., Inc., plan to sell about 2,850,000 common shares of GM. **Office**—3044 West Grand Blvd., Detroit. **Underwriter**—Morgan Stanley & 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).

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.

Merrimac-Essex Electric Co.

May 9, 1962 it was reported that this subsidiary of New England Electric System, 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.

National Airlines, Inc.

May 8, 1961, it was reported that the CAB had approved the company's plan to sell publicly 400,000 shares of Pan American World Airway's Inc., subject to final approval of the Board and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Price**—About \$20 per share. **Proceeds**—To repay a \$4,500,000 demand loan, and other corporate purposes. **Office**—Miami International Airport, Miami 59, Fla. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York.

Natural Gas Pipeline Co. of America

June 12, 1962 it was reported that this subsidiary of Peoples Gas Light & Coke Co., plans to sell \$35,000,000 of senior securities later this year. **Business**—Operation of two natural gas pipeline systems extending from Texas to the Chicago metropolitan area. **Proceeds**—For expansion. **Office**—122 So. Michigan Ave., Chicago. **Underwriter**—Dillon, Read & Co. Inc., New York City.

Nevada Northern Gas Co.

Feb. 28, 1962 it was reported that this subsidiary of Southwest Gas Corp., plans to sell \$2,000,000 of common stock. **Office**—2011 Las Vegas Blvd., South, Las Vegas, Nev. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

New England Power Co.

May 8, 1962 it was reported that this utility plans to sell \$12,000,000 of 30-year first mortgage bonds in November, 1962. **Proceeds**—For debt repayment and construction. **Office**—441 Stuart St., Boston. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.-White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Lehman Brothers-Equitable Securities Corp. (jointly); First Boston Corp.; Kuhn, Loeb & Co.

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.

Pan American World Airways, Inc.

Oct. 30, 1961 it was reported that the CAB had approved the company's plan to sell its 400,000 share holdings of National Airlines, Inc. However, it said Pan Am must start selling the stock within one year and complete the sale by July 15, 1964. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and lease of each other's jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Office**—135 East 42nd St., N. Y. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc.

Panhandle Eastern Pipe Line Co.

March 8, 1961 it was reported that this company expects to sell about \$72,000,000 of debentures sometime in 1962, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (mgr.). **Offering**—Expected in the fourth quarter of 1962.

Pennsylvania Power & Light Co.

Feb. 20, 1962 Jack K. Busby, President and C. E. Oakes, Chairman, stated that the company will require about \$93,000,000 in debt financing in the period 1962 to 1970. **Proceeds**—For construction and the retirement of \$17,000,000 of maturing bonds. **Office**—9th and Hamilton Sts., Allentown, Pa. **Underwriters**—To be named. The last sale of bonds on Nov. 29, 1961 was won at competitive bidding by White, Weld & Co., and Kidder, Peabody & Co. Other bidders were Halsey, Stuart & Co. Inc.; First Boston Corp.-Drexel & Co. (jointly).

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.

Southern Electric Generating Co. (11/28)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$6,500,000 30-year first mortgage bonds in November. **Office**—600 N. 18th St., Birmingham, Ala. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey Stuart & Co., Inc.; White, Weld & Co.-Kidder, Peabody & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Blyth & Co., Inc. (jointly); Eastman Dillon, Union Securities & Co.-Equitable Securities Corp.-Drexel & Co. (jointly); Morgan Stanley & Co. **Bids**—Expected Nov. 28. **Registration**—Scheduled for Nov. 1.

Southern Railway Co. (7/17)

June 12, 1962 it was reported that this road plans to sell \$9,450,000 of 1-15 year equipment trust certificates in July. This is the first instalment of a total \$18,900,000 issue. **Office**—70 Pine St., New York. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—July 17 (12 noon EDT).

Southern Railway Co. (9/11)

June 12, 1962 it was reported that this road plans to sell \$9,450,000 of 1-15 year equipment trust certificates in September. This is the second instalment of a total \$18,900,000 issue. **Office**—70 Pine St., New York. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—Sept. 11, 1962 (12 noon EDT).

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.

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.

"We Can't Control Output On a Farm-to-Farm Basis"

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will remain the foremost economic power in the world—whether we will evacuate the field of power before a shot is fired, or go forth to meet new risks and tests of our ability."

Attacks Government Competition And Farm Price Supports

I feel strongly that the President is absolutely right on this point. Therefore, I am unable to understand how this Administration can support an agricultural policy that maintains at great budgetary costs prices substantially above the competitive level along with export subsidies, import controls including quotas on imports and similar measures which prevent the virtue of the market from functioning.

Is it not time to reconcile our agricultural policies to the realities of our tremendous technological advantages and our ability to compete? Is it not time that we once more restore the efficiency of the commercial marketing mechanism as the best means of providing all segments of our society with goods and services? Is it not time that we end the use of the multi-billion dollar CCC club which is bankrupting private and cooperative elevators by destroying the private grain merchandising system—the most efficient in the world? How can these firms do their essential job of merchandising hundreds of millions of bushels of grain when their usual customers are being offered corn by the Commodity Credit Corporation at reduced prices?

The Council of Economic Advisers has stated: "Public policy toward small business has as its purpose the strengthening of the small business sector of the economy and the removal of artificial and discriminatory barriers to the profitability and growth of small firms."

I do not see how you can foster the growth of small firms if they have to compete with the most gigantic monopolist in history—the Commodity Credit Corporation. There has been placed in the hands of economic theoreticians who do not believe in the market price economy, power, which if continued, will destroy the very small firms this Administration is dedicated to foster. The market knowledge of these ex-professors has been gleaned from text books. To them, the Government is the great price fixer and the great market determinant.

Let us take another example—the recent Section 22 action covering the shipment of corn into the Southeast. This is an action under which the Federal Government is the only entity that can take advantage of the special low rates granted by the railroads. The stated reason for this request from the railroads was that the price of corn was abnormal in the area.

It should be noted that another Government program, the Emergency Feed Grain Program, had created the alleged shortage. However, the commercial trade had been supplying this area with corn at competitive prices. The Secretary of Agriculture determined arbitrarily that these prices were "unreasonable."

May I ask a fundamental question as to how one competes in this kind of environment? How do the "virtues of the marketplace under free competitive enterprise," suggested by the President, show themselves when one of his cabinet officers is destroying the ability of that marketplace to reflect the forces of free competition?

Would Change Our Bankrupt Farm Policies

Let us review another factor—our position in this world. I think there can be stated categorically that the American family owned farm is the greatest bulwark against Communism in the world. The Communist commissars cannot call forth from their regimented farmers the same quality and quantity of energy that the American producer will use to voluntary produce abundance. However, if the proposals of the supply managers are followed, we will find ourselves swallowed up with the same production disincentives as the Communists.

By the end of this session of the Congress it probably will become evident that our national agricultural policy is bankrupt. It is pretty close now to being in the hands of the receivers. A new policy should be devised and put into effect.

The foundation of Federal agricultural programs has been the idea that the Government, through the farmers, could control output on a farm-to-farm basis. Using the proverbial stick and carrot, the Government sought to threaten and cajole farmers into curtailing the production of certain surplus crops. There were loans, or payments, for cooperators, and penalties, direct and indirect, for non-cooperators. In time, so the theory went, the surpluses would vanish and so would the necessity for Government programs.

The experiment has been pursued tenaciously and at the cost of many billions, over 70, in fact. The program began during a period of heavy surplus, but at the end of 30 years the surpluses remain; in fact, they have grown tremendously. The Government owns more than \$7 billion in farm products and has loaned money on another \$3 billion, which it may eventually take over. The budget for the Department of Agriculture during this fiscal year is over \$7 billion, the highest of any agency, save Defense. The President is concerned over this vast expenditure, which continues, year in and year out, and so are many other persons. Obviously, controls on a farm-to-farm basis have failed. Just as obviously, we must try another approach unless we insist on compounding failure.

We need a farm program that recognizes the realities of the world in which we live, the role of the farmers in it, and the methods by which the product of the farmers' labor can be marketed most efficiently under the free enterprise system.

Few Farms Sell the Most

As a basis for the discussion of such a program, I should like to observe that . . . less than 1½ million farms sell 87% of the farm products. These farms had an average income in 1959 of about \$7,800 a year. The balance of the farms averaged from their farm sales a net income of about \$500 per farm.

If we keep these basic figures in mind, they serve as a basis for an intelligent discussion of farm policy.

Some fundamental decisions must be made about farm legislation for the future if we are to get anywhere.

One of the most fundamental, perhaps the most fundamental, is whether we wish a combination welfare and farm program. This is what we have at present. This hybrid is responsible for most of the trouble we are in today.

If we examine the situation of the approximately 2 million farmers whose net cash farm income annually is about \$500, we realize that no matter how high the sup-

ports, or payments, these cannot get a living from the land. Tailoring farm programs to their needs is to make a very bad suit of clothes.

The welfare aspects of today's farm programs are costly. They are an obstacle in the way of a sensible solution to the farm problem. Almost always, for example, the supports are too high because of the small operator. They are too high because of his desperate needs. From the very beginning, special provisions for the smaller farmers have hampered farm programs.

Some years back, Congress exempted wheat farmers growing 15 acres or less from quotas. More and more farmers, who previously had not grown wheat, began to plant 15 acres. Now the number of 15-acre farmers number 1.2 million; they have contributed several hundred million bushels to the wheat carryover. The only thing the Congress has done about the situation is to reduce the exemption to 13½ acres, which does very little to remedy matters.

Along with this disposition to favor the inefficient operator, goes a disposition to penalize the bigger growers by limiting the amount they may receive in benefits.

Advocates Substituting Payments For High Supports

The Chicago Board of Trade has advocated that direct Federal payments to farmers be substituted for high support prices on the so-called "problem" crops. This substitution would accomplish two primary objectives: Payments for commodities like cotton and wheat would allow the market price in this country to adjust to world levels. Export subsidies would no longer be needed. In the case of cotton, the elimination of the subsidy, now 8½ cents per pound, would be a boon to the domestic textile industry.

Yet, payments are strongly opposed. Some of the opposition comes from organizations like the American Farm Bureau Federation, whose overall approach to the farm problem is, in my opinion, sound.

I have the feeling that many efficient farmers fear payments because they would have to be appropriated each year, an uncertain procedure, and because of the limitations that would be placed on them.

No sooner would a payment program for cotton, let us say, be formulated than someone in Congress would raise a question like this: "Why should such-and-such farmer, who has several thousand acres, get thousands of dollars from the Treasury while poor Joe Doakes, nearby, gets only a hundred or two dollars?"

At once, unless there is a better understanding of the matter than there is at present, a limitation would be placed on the amount the big operator could receive.

I am not advocating that thousands of Treasury dollars go to any farm. I simply am saying that any Federal program for aid to agriculture cannot penalize the efficient farmers if it is to accomplish its objective.

Our agriculture today is a modern, commercial enterprise, for which we should be thankful. Let us not turn a tremendous national asset, our marvelous agricultural plant, into a liability.

The smaller farmers, most of them, need help. It should be given them. Many of them must find employment off the farm eventually, and that is a hard core problem all its own. But to complicate the farm problem with a welfare problem doesn't help anyone; it hurts all. Let us realize that the cost of helping the smaller farmers, in most instances, should not be charged to the farm program.

The substitution of payments for high supports is sound, provided the program is handled as it should be. I think also the Farm

Bureau plan for adjusting agricultural production through the retirement of acreage from cultivation is highly constructive.

The nation, I feel, would support high expenditures for a few years if it promises to get us out of the jungle we are in. The idea that the farmers are boondoggling is cockeyed. Today, food costs Americans less than it does the people in any major country. Our consumers save several billion dollars annually when we put our costs alongside those of other consumers.

In the United States, approximately 20% of a worker's take-home pay is spent for food; the Russians have to spend more than 50%; the French and English around 30%. Efficiency in agriculture is a boon to our consumers. It gives them food, which, comparatively speaking, is not only plentiful; it is a bargain.

The stand by the Chicago Board of Trade for freer markets may be suspect on the ground of self-interest. But it is, eventually, becoming increasingly clear that the stultified market means, under our private enterprise system, a stultified agriculture.

The real question is whether a trend away from controls and supports which dominate market prices is sound agricultural policy and is in the national interest. If the answer is in the affirmative, which I think it must be, benefits to the commodity exchanges are incidental. They will not and cannot function unless they perform a real service, which they can and do perform when the markets function freely.

An objective, impartial and constructive look at the entire agricultural situation is badly needed.

The underbrush needs clearing away. It has grown up thickly in the form of prejudices, fixed habits, entrenched interests and lack of understanding. This entire matter needs a thorough discussion on a national basis, followed by action that will allow maximum development of our agricultural plant coupled with full use of this industry in the marketing of food and fiber. I am hopeful that this is what we will see in the months to come.

*An address by Mr. Liebenow before the annual convention of the Texas Grain and Feed Assn., Fort Worth, Texas.

Opens Inv. Office

Anita H. Cahn is conducting a securities business from offices at 29 Broadway, New York City, under the firm name of Ernst I. Cahn.

T. F. Foley Opens

BROOKLYN, N. Y.—Thomas F. Foley is engaging in a securities business from offices at 8511 Third Avenue. Mr. Foley was formerly with Douglas Enterprises.

Joins B. C. Christopher

(Special to THE FINANCIAL CHRONICLE)
KANSAS CITY, Mo.—Arthur J. Caron has joined the staff of B. C. Christopher & Co., Board of Trade Building, members of the New York Stock Exchange. He was previously with Harris, Upham & Co.

With First Columbus

(Special to THE FINANCIAL CHRONICLE)
CINCINNATI, Ohio—Othmar F. Stenger is now with First Columbus Corporation, Mercantile Library Building.

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NYSE Releases Interim Data On Special Market Study

Keith Funston, President of the New York Stock Exchange, made public preliminary data obtained as part of the Exchange's special study of the market on May 28, 29, and 31.

Mr. Funston said that the wide interest in the market's activity prompted release of interim findings, based on preliminary statistics and surveys. He added that as the study proceeds more detailed results will be released.

Reports to the Exchange and surveys of representative member firms and branch offices throughout the country indicate that:

... Selling pressure on Monday, May 28, when the market declined, was characterized particularly by activity in long-term investment accounts held by the public.

... Investors who sold on Tuesday morning, May 29, were generally reported to have smaller accounts. Tuesday afternoon, when the market rose, larger investors were more evident, generally buying shares of well-known companies.

... In the market's rise on Thursday, (May 31) many of the buyers were in the middle-income ranges.

... By and large, the small investor, as reflected in the odd-lot figures, bought on balance over the three-day period to the extent of approximately 1 million shares.

... Many branch office managers reported an unusual number of new accounts opened—particularly on Thursday. New accounts were heavily represented by first-time investors purchasing odd-lots in well-established companies.

... Exchange specialists and other members and member organizations, through their buying and selling before and during the May 28-31 period, played a crucial role—providing offsets to the surges of sales and purchases by the public.

... Margin calls by member firms rose in response to greater volume and lower price levels, but in the great majority of cases, customers furnished the additional cash or collateral necessary to continue their positions. A significant number of sales were believed made by bank customers in connection with nonpurpose loans.

... Overall, institutions were on the buy side on Monday, Tuesday and Thursday.

... Little unusual or one-sided activity in foreign accounts was reported.

... Buying and selling activity was primarily by men, with no pronounced activity by women.

An analysis of reports of Specialists' total transactions during the May 28-31 period indicates that Specialists' participation in the market increased substantially, accounting for about 20% of reported round-lot purchases and sales. (Specialists' participation in the market in recent years has averaged about 15%.)

The preliminary analysis of Specialists' reports for the three final days of May showed that:

On Monday, May 28—when one popular index dropped 6.7%—Specialists' sold 1,447,350 shares and bought 1,642,850 shares. This made them purchasers on balance by 195,500 shares. This followed heavy net purchases in the preceding week, when the market

was down sharply and when, on balance, Specialists' daily purchases averaged 100,000 shares.

On Tuesday, May 29—when the market continued down in the first two hours but then turned and rose 4.6% over Monday's close, Specialists bought 3,154,050 shares and sold 3,283,850 shares, ending the day as sellers by some 129,800 shares on balance.

On Thursday, May 31—when the market made a net gain of 2.7%—Specialists continued as sellers on balance, registering net sales of 905,010 shares on 2,533,130 shares sold, 1,628,120 bought.

Mr. Funston noted: "While it is impossible for the Specialists to change major market trends, in fulfilling their customary role they were largely buying and selling against the downward and upward waves that characterize the market. Moreover, this was accomplished despite the fact that they had bought and sold extensively in the preceding weeks, against the prevailing market movement, in an effort to maintain trading on as continuous and orderly a basis as possible."

Data for these three preceding weeks show that:

... For the week ended May 11, while the market dropped 5.4%, Specialists' average daily net purchases amounted to 46,000 shares;

... For the week ended May 18, when the market rose 1.9%, Specialists showed average daily net sales of 84,000 shares;

... And for the week ended May 25, when the market fell 6.8%, Specialists registered average daily net purchases of 100,000 shares.

The Exchange also reported preliminary findings on May 28-31 for members other than Specialists and Odd-Lot Dealers.

In the downward-moving market of May 28, members other than Specialists and Odd-Lot Dealers had net purchases of 115,000 shares. In the downward and then upward market of May 29, they were sellers on balance by 23,000 shares. On May 31, as the market continued to move upward, they were sellers on balance by 422,000 shares.

With regard to information collected in the Exchange's surveys, Mr. Funston said the Exchange has ascertained that a number of margin calls made by member firms, both in the May 28-31 period and in the preceding week, were for special subscription accounts which need only be margined initially with 25%. Federal regulations provide for this, to enable holders of listed common stocks who may not have the necessary cash to take advantage of their subscription rights. He noted that member firms are permitted to lend on listed securities only, with initial margins of 70%. Loans on both listed and unlisted securities are available, however, from other sources, in some cases with little margin, and there is no way the Exchange can determine the number of margin calls against such loans which are outside the Exchange's jurisdiction.

Checks on foreign transactions for May 28, 29 and 31 revealed some selling from Hong Kong and Switzerland, Mr. Funston said. No unusual foreign activity, however, was generally reported.

Member Firms reported buying in general by bank trust departments, investment companies and other institutional customers during the May 28-31 period, Mr. Funston said. He emphasized that inquiries into these and other areas are continuing as part of the Exchange's broad study.

Preliminary figures show that odd-lot volume for the three days was at the usual ratio of about

22% of reported round-lot volume, and odd-lot investors generally followed market trends. On Monday, they were sellers on balance by 267,223 shares on Tuesday, they sold and bought almost equally—3,058,010 shares total—

ending the day with a net sales balance of 50,976 shares; on Thursday, they were buyers, with a net balance of 1,259,335 shares—the highest such figure shown in available records.

10th Anniversary of Nation's First Variable Annuity Fund

Ten years of experience with the country's first system of variable retirement annuities—the College Retirement Equities Fund, established in 1952 by the Teachers Insurance and Annuity Association indicates that an educator who retired in 1952 under the TIAA-CREF plan would now be receiving nearly twice as much pension as he would have received from a straight fixed-dollar annuity.

This is one of the central findings of a special report to the system's 90,187 participants, "CREF—The First 10 Years' Experience," which is being released. The report was prepared under the direction of R. McAllister Lloyd and William C. Greenough, respectively chairman and president of both organizations.

Both TIAA and CREF are chartered as nonprofit educational corporations serving exclusively faculty and staff members of colleges, universities, independent schools, and similar educational and research institutions. In setting up their retirement annuity policies, TIAA-CREF requires that at least one-half of premium payments must go into traditional fixed-dollar annuities supplied by TIAA, while the educator has the option of applying up to one-half his premiums to CREF. Nine out of 10 participants who use CREF, the report shows, choose the 50-50 option.

Premiums paid to CREF are invested in a selected range of common stocks in American industry. Both the amount of participation that the premiums buy—the "accumulation units"—and the amount of retirement income they eventually yield—measured in "annuity units"—are closely tied to the market value of the underlying stocks. Thus the units fluctuate upward and downward both before and after retirement.

The College Retirement Equities Fund issued its first policy on July 1, 1952. Since that date, a computation has been made each month for the value of the accumulation unit (current market value of all stocks held, divided by the number of accumulation units outstanding). The computation of the dollar value of the annuity unit is made once each year.

The new report charts the record of both units in a decade of actual operation. The annuity unit was started in 1952 with a value of \$10.00, and currently it has a value of \$26.13.

The records show what would have happened if a 65-year-old professor in 1952 had put into a fixed-dollar TIAA policy a sufficient lump-sum initial premium to yield a retirement income of \$100 per month; and also had put into CREF a lump-sum premium of exactly the same amount as paid to TIAA.

During the first year, his monthly income from the CREF policy would have been \$114, dropping back to \$108 during the second year. By 1957-58 the CREF policy would have yielded \$192 per month. By 1962 his income from the CREF policy would have reached \$298 per month and this, added to \$112 per month from his TIAA policy (\$100 plus \$12 dividend), would give him a combined income of \$410 per month. This would compare with his \$214 per month income from the two policies in 1952.

Analyzing the record, the new report says, "The combined TIAA-CREF income of \$410 monthly is 91% higher than the 1952 income. Consumer prices are now about 13% higher than they were in 1952. The upsurge of common stock prices during the 1950's and CREF's favorable investment experience, then, made the income some professors were receiving from the combined TIAA-CREF annuities rise considerably faster than the cost of living. . . .

"No one knows where the CREF unit values will stand next month, next year, or 10 or 20 years from now. What does seem clear from those 10 years of experience and the record of [security prices in] the preceding 70 years is that if a professor had placed one-half of his retirement savings in a well-selected common stock fund like CREF, he would have had substantial protection against inflation. It also seems clear that by investing the other half of retirement savings in traditional fixed-dollar annuities, the educator would have had essential protection during the milder recessions, and especially during the great depression of the 1930's."

At the input end of the transaction, the new report shows how the value of the accumulation unit has moved during CREF's first 10 years from its 1952 average price of \$10.00. "On Dec. 31, 1961, each accumulation unit was worth \$31.86. The chart shows several periods of fluctuating prices, including some sharp declines. For example, the accumulation unit dropped from \$20.83 in July 1956, to \$18.35 in September of that year. A quick decline took place in 1957, when the accumulation unit dropped from \$20.50 in July, to \$17.50 three months later. On the first of May 1962, the accumulation unit was valued at \$28.32, down from its all-time high of \$32.45 six months previously."

The new report reflects the faith of teachers and academicians generally in the strength of the American economy. At present 80% of all persons paying premiums to TIAA also participate in CREF. "The funds that participants are setting aside for their retirement," says the report, "help provide capital for the growing sectors of the economy and, in turn, the aim of investment policy is that the growth of these industries will help provide more adequate retirement benefits for participants."

The purpose of both TIAA and CREF, as stated in their charters, is "to aid and strengthen non-profit and non-profitmaking colleges, universities and other institutions engaged primarily in education and research." It is estimated that less than one-half of 1% of the country's population is eligible to participate in the services of the two organizations.

On the frequently asked question as to why the variable annuity, pioneered by TIAA-CREF and available only to its own academic constituency, isn't offered more widely by other companies to the rest of the country's people, the 10th anniversary report says:

"The variable annuity has received considerable attention outside the college world. Examples of employers that have established

variable annuity plans for their employees are: Boeing Airplane Company, Bristol - Myers Company, Chemstrand Corporation, Long Island Lighting Company, Tennessee Valley Authority, and the Wisconsin State Teachers Retirement System. The use of variable annuities for the general public continues to be a controversial topic among life insurance companies, but there is no controversy over CREF's appropriateness for the college world."

The parent organization, Teachers Insurance and Annuity Association, was established in 1918 and has been serving education by providing fixed-dollar annuities and related services to educators. TIAA developed out of the Carnegie Foundation for the Advancement of Teaching and has received grants from the Carnegie Corporation and the Ford Foundation. Today some 1,100 colleges, universities, and other nonprofit educational and scientific organizations participate in TIAA retirement plans and virtually all of these make CREF available on an optional basis.

Businessman's BOOKSHELF

Airline Traffic and Financial Data—Quarterly review (fourth quarter of 1961)—Air Transport Association of America, 1000 Connecticut Avenue, N. W., Washington 6, D. C. (paper).

Assets, Liabilities & Capital Accounts—Commercial and Mutual Savings Banks Sept. 27 and Dec. 30, 1961—Federal Deposit Insurance Corporation, Washington 25, D. C. (paper).

Common Market: Political Impacts—International Review Service, 15 Washington Place, New York 3, N. Y. (paper) \$2.50.

Corporation Finance—Eli Schwartz—A book designed to fill the needs of a one semester, basic course in corporation or business finance, combining both external and managerial approaches to the subject—St. Martin's Press, Inc., 175 Fifth Avenue, New York 10, N. Y. (cloth).

Economic Developments in South America: Hearings before the Subcommittee on Inter-American Economic Relationships of the Joint Economic Committee of the Congress of the United States—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 40¢.

Exchange Restrictions: Thirteenth Annual Report—International Monetary Fund, Washington, D. C. (paper).

Failure Record Through 1961—A study of commercial failures—Dun & Bradstreet, Inc., 99 Church St., New York 7, N. Y. (paper).

Franchise Boom: How to Profit in It—An examination of the franchise boom, showing how this kind of business enterprise can provide opportunities for those wishing to have their own businesses—Harry Kursh—Prentice-Hall, Englewood Cliffs, N. J. (cloth), \$5.95.

Highway Statistical and Financial Data—Committee on Public Affairs, American Petroleum Institute, 1271 Avenue of the Americas, New York 20, N. Y., (paper).

International Enterprise—A New Dimension of American Business—a discussion of organization of international companies, development of strategies for international growth, and recent expansion of American Corporations abroad—McKinsey & Company, Inc., 270



Keith Funston

Park Avenue, New York 17, N. Y. (paper), on request.

National Better Business Bureau—50th anniversary report—National Better Business Bureau, 230 Park Avenue, New York 17, N. Y., (paper).

New Antitrust Rules of the Common Market: Explanation of Procedures, Forms for "Negative Clearance" or Exemption and Regulations Taxes—Commerce Clearing House, Inc., 4025 West Peterson Avenue, Chicago 46, Ill.—Available on subscription, prices on request.

Par Research-1962—Brochure—American Gas Association, 420 Lexington Avenue, New York 17, N. Y., (paper).

Practical Aspects of Drafting Wills—Charles M. Lyman—A volume designed as an aid to the lawyer who wants to draft sound, responsible and successful wills, presenting new thoughts on the physical grouping of the contents of the will to assure greater clarification of its instructions—Prentice-Hall, Inc., Englewood Cliffs, N. J. (cloth), \$15.

Programmed Instruction: Its Principles and Applications—A bibliography—"Selected Reference, May, 1962"—Industrial Relations Section, Princeton University, Princeton, N. J. (paper), 40¢.

Revolution in Training: Programmed Instruction in Industry—Edited by Theodore B. Dolmatch, Elizabeth Marting, and Robert E. Finley—American Management Association, 1515 Broadway, New York 36, N. Y. (cloth), \$5.25.

State Sources of Data on Local Government Finances—Bureau of the Census, Washington 25, D. C., (paper), 25¢.

Tax Proposals Relating to Foreign Income—American Enterprise Association, 1012 Fourteenth Street, N. W., Washington, D. C. (prices on request).

Tax Protection for the Family—J. K. Lasser Tax Institute and John D. Cunliffe—Business Reports, Inc., Larchmont, N. Y., \$12.50.

Union Wages and Hours: Building Trades—July 1, 1961 and trend 1907-61—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 35¢.

U. S. Petroleum Industry Statistics—Annual Statistical Bulletin—American Petroleum Institute, 1271 Avenue of the Americas, New York 20, N. Y. (paper), \$1.

Using Charts to Improve Profits—Ely Francis—A discussion of the interpretation and use of charts to alert management to unfavorable sales, costs, profit, inventory and receivable trends, and how charts can forecast the consequences of alternate courses of action; included are various examples of charts and schedules showing how a chart program may be used to control sales and cost trends to maximize profits—Prentice-Hall, Inc., Englewood Cliffs, N. J. (cloth), \$15.

Value of the Call Privilege—Arleigh P. Hess, Jr. and Willis J. Winn—A study of the theoretical basis for evaluation of the call option, identification of factors which must be considered in the process, analysis of market experience under varying conditions, and a demonstration of the kind of information that can be collected and used to enlarge knowledge of securities markets—Wharton School of Finance and Commerce, University of Pennsylvania, Philadelphia, Pa. (cloth).

Voluntary Health Insurance for the Aged—Status, Trends and Outlook—Mortimer Spiegelman—Metropolitan Life Insurance Company, New York, N. Y., (paper).

TAX-EXEMPT BOND MARKET

Continued from page 6

interest cost for this well regarded bond.

Other members of the winning syndicate included Smith, Barney & Co., Stone & Webster Securities Corp., Mercantile Trust Co. of St. Louis, First National Bank of Oregon, First National Bank of Boston, Industrial National Bank of Rhode Island. As one might suspect from the line-up of account members, dealer banks buying for portfolio made an immediate appearance with all of the bonds sold during the order period and the account marked closed.

Last Friday and Monday of this week were void of any general market issues of importance and Tuesday was a relatively light day. However, there were three issues worthy of comment. The City and County of Honolulu, Hawaii, awarded \$9,000,000 public improvement (1965-1982) bonds to the group headed by Bank of America N. T. & S. A. at a net interest cost of 3.14%. This bid compared very favorably with the second bid of a 3.14% net interest cost which was made by the First National City Bank account.

Other members of the successful syndicate are The Northern Trust Co., First National Bank of St. Louis, Fidelity Union Trust Co., Newark, New Jersey, Wells & Christensen, Inc., Allan Blair & Co., and Stockyards National Bank, Wichita. Reoffered to yield from 2.15% to 3.30%, demand was good for the first eight years with all of these bonds placed. Interest, however, for larger bonds has not as yet appeared with the present balance being \$3,250,000.

The syndicate headed by The Marine Trust Co. of Western New York, Buffalo, was the high bidder for \$4,350,000 Hornell, New York, city school district (1963-1991) bonds on their dollar price bid of 100.139 for a 3 3/4% coupon. The second bid, 100.109 also for a 3 3/4% coupon, was submitted by the C. J. Devine & Co. group. Associated with The Marine Trust Co. as major underwriters are The Northern Trust Co., Roosevelt & Cross, Inc., Manufacturers & Traders Trust Co., Buffalo, Hayden, Stone & Co., and R. D. White & Co. Scaled to yield from 1.70% to 3.50% the account reports an unsold balance of \$1,820,000.

Tuesday's final sale of importance consisted of \$3,200,000 County of Dade, Florida Seaport Revenue (1962-1991) bonds which were bought by the F. S. Smithers & Co. group at a 3.726% net interest cost. The second bid of a 3.79% net interest cost was made by the Halsey, Stuart & Co., Inc. syndicate. These bonds are being issued by Dade County to construct new port facilities on Dodge Island just off the Miami waterfront and are payable from the net revenues derived from the ownership or operation of the existing port facilities and those to be constructed. The county covenants to fix and collect rates and charges for use of the port facilities which will produce revenues equal to at least 1.5% times the debt service requirements in each year.

Associated as majors in this interesting financing are Goodbody & Co., Barcus, Kindred & Co., Stern Brothers & Co., Hayden, Stone & Co. and Kenower, MacArthur & Co. Reoffered to yield from 1.75% to 3.85% for a variety of coupons about 60% of the bonds have been sold.

A Quiet Day

Wednesday was also a relatively quiet day with only two issues of importance selling at competitive bidding. The State of Alaska awarded \$6,300,000 various purpose (1963-1982) bonds to the group headed jointly by Morgan Guaranty Trust Co. and Bank of

America N. T. & S. A. at a net interest cost of 3.425%. The runner-up bid designating a 3.46% net interest cost was made by The Chase Manhattan Bank account.

Associated as majors in the winning group are Glore, Forgan & Co., Hayden, Stone & Co., White, Weld & Co. and Republic National Bank of Dallas. Upon reoffering, these bonds were scaled to yield from 1.75% in 1963 to 3.50% in 1983.

Two smaller issues of State of Alaska (1963-1972) bonds totaling \$629,000 were awarded to John Nuveen & Co. and associates as 2 3/4s, and were scaled to yield from 1.80% to 3.00%.

The syndicate headed by Halsey, Stuart & Co., Inc. submitted the best bid for \$3,945,000 Alexandria, Va. (1963-1982) bonds. The bonds are offered at prices to yield 1.60% to 3.30%. As we go to press a balance of \$1,520,000 remains in account.

The State of TRADE and INDUSTRY

Continued from page 16

that business will be helped far more by investment credit called for in the bill than it will be hampered by what he calls "tax equalization measures."

"It appears clear that the economy is helped more by general business investment incentive provisions than by a continuation of special tax preferences," he states.

"We intend the credit to encourage modernization, upgrading, and expansion of our industrial machinery," Congressman Mills said.

June Auto Output Hurt by Ford Strike

Ward's Automotive Reports said auto production in the U. S. last week dipped to 147,226 units, 1.9% below 150,077 assemblies two weeks ago as a direct result of the parts shortage besetting Ford Motor Co. as an outgrowth of a strike at its Cleveland stamping plant.

The statistical agency said the drop in output last week and impending losses next week, even if the Ford dispute is settled, will substantially alter the industry outlook for the month of June.

Programming for entire June indicated, until the Ford dispute erupted, some 630,000 assemblies. With three Ford plants closing after operations Wednesday and Thursday, and all 16 of the company's car making complexes slated to close Monday, the production toll has already reached an estimated 5,000 units. Even an early resumption of work by Ford will not immediately result in normal output. Ford has been making about 45,000 cars a week since early May.

Meanwhile, production by the other four major auto makers varied little this week from last.

Carloadings Fall Below Last Year's Week

Loading of revenue freight in the week ended June 9, totaled 581,336 cars, the Association of American Railroads announced. This was an increase of 50,507 cars or 9.5% above the preceding holiday week.

The loadings represented a decrease of 11,980 cars or 2.0% below the corresponding week in 1961, and a decrease of 67,322 cars or 10.4% below the corresponding week in 1960.

There were 12,433 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended June 2, 1962 (which were included in that week's over-all total). This was an increase of 2,736 cars or 28.2% above the corresponding week of 1961 and 2,986 cars or 31.6% above the 1960 week.

Toll Bonds Advance

The toll road, utility revenue and toll bridge term bond issues have done better during the past week. The Commercial and Financial Chronicle's revenue bond index which is a composite of the important projects countrywide, averaged out at 3.831% this week against 3.846% last week. This translates to an average weekly gain of a quarter of a point. In many instances the toll roads are showing a gain of from 10% to 15% in gross revenues over a year ago. The toll roads have in many cases been slow in developing their revenue potentials but a favorable trend is now undeniable. Most of these issues have attained solid investment stature.

However, it may well be kept in mind that dollar quoted issues invariably fluctuate with the stock market during periods of economic uncertainty and stock market weakness. With this proclivity they do nonetheless possess marketability of a relatively high order.

Truck Tonnage Up 12.7% Over Last Year's Week

Intercity truck tonnage in the week ended June 9 was 4.8% ahead of the volume in the corresponding week of 1961, the American Trucking Associations announced. Truck tonnage was 12.7% ahead of that of the previous week of this year. This gain is largely attributable to the Memorial Day holiday which occurred during the preceding week.

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

Electric Output 4.2% Higher Than in 1961 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday June 16, was estimated at 15,991,000,000 kwh., according to the Edison Electric Institute. Output was 115,000,000 kwh. more than that of the previous week's total of 15,876,000,000 kwh. and 646,000,000 kwh., or 4.2% above that of the comparable 1961 week.

Lumber Output Rises 2.5% Above 1961 Level

Lumber production in the United States in the week ended June 16, totaled 235,042,000 board feet, compared with 216,320,000 in the prior week, according to reports from regional associations. A year ago the figure was 229,336,000 board feet.

Compared with 1961 levels, output advanced 2.5%, shipments were 5% higher, and orders gained 6.5%.

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

	June 9, 1962	June 2, 1962	June 10, 1961
Production	235,042	216,320	229,336
Shipments	243,017	232,442	231,443
Orders	239,712	233,798	225,145

Moderate Increase in Business Failures

Continuing up for the second consecutive week, commercial and industrial failures climbed to 354 in the week ended June 14 from 306 in the preceding week, reported Dun & Bradstreet, Inc. At the highest level in eight weeks, casualties equalled the 1961 and 1960 levels when 351 and 353 occurred respectively. Some 42% more businesses succumbed than in prewar 1939 when the total was 249 in the corresponding week.

Liabilities of \$100,000 or more were involved in 44 of the week's

casualties, up from 36 a week earlier and about even with 46 of this size last year. An increase also lifted failures with losses under \$100,000 to 310 from 270 in the previous week and from 305 a year ago.

Canadian failures inched to 37 from 35 but remained below the 47 occurring in the similar week a year ago.

Wholesale Commodity Price Index Edges Up in Latest Week

After dipping through the early weeks of June, the general wholesale commodity price level inched up this Monday to 271.05, reported Dun & Bradstreet, Inc. With sizeable advances in the prices at wholesale for corn, rye, hogs, steers and cotton, the index reached the highest level in almost a month. There were few declines to offset these increases—the only commodities quoted appreciably lower during the week were wheat and tin.

On June 18, the Daily Wholesale Commodity Price Index moved up to 271.05 from 269.72 a week earlier and exceeded slightly the 270.90 on the corresponding day last month. As well, it was noticeably higher than the 268.31 registered on the similar day of 1961.

Wholesale Food Price Index Continues Rise for Second Week

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., continued to advance this week, rising 1% to \$5.87, the highest level in the last eight weeks. While the index has remained below comparable 1961 levels in every week so far this year, it came fractionally close, 0.2%, in the current week to the \$5.88 registered a year ago.

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

Retail Sales Uneven

Hampered by cool and rainy weather as well as by some delivery and newspaper strikes, consumer buying was spotty in the recent reported week. However, solid gains in some areas, notably the Northwest and South, and in a few lines, namely home and sporting equipment, offset the faltering pace in other regions and trades, and held overall volume about even with the comparable year-ago level. Apparel purchases lagged appreciably in men's wear and children's clothing, and slipped a little in women's wear. There was healthy activity, on the other hand, in furniture, some appliances, garden and sport goods.

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

Nationwide Department Store Sales Up 1% From 1961 for Week Ending June 9

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported a 1% increase for the week ended June 9, 1962, compared with the like period in 1961. For the week ended June 2, sales were up 4% compared with the corresponding 1961 week. In the four-week period ended June 9, 1962, sales were 5% above the corresponding period in 1961.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—Our sputtering economy and what the United States Government intends to do about it, is the big story in Washington. The economic picture is neither all bad nor favorable.

There is some gloomy talk in the Halls of Congress and in downtown Washington. At the same time there is some confidence about the future.

The Department of Commerce failed to spur any immediate enthusiasm in the economy when it reported a 1% decline in retail sales of May, and a \$600 million drop in corporate profits the first quarter of 1962 as compared with the corresponding 1961 quarter.

Secretary of Commerce Luther Hodges made an observation that many people have been trying to hammer home to Washington for several years. The highly respected Secretary said our tax structure is sucking the life-blood from so many of our corporations and individuals. Therefore, there have been insufficient expenditures made to provide for continued growth of our economy.

The headline news on the economy came out of Washington, New York and New Haven. In his speech at Yale University, President Kennedy lamented what he called unfair criticism of an unsound fiscal policy of his Administration.

It will be recalled that in January, President Kennedy promised a balanced budget in 1963. Maybe he can, but the deficit in 1962 is going to run into several billions. The fiscal year ends on June 30.

On the Other Hand

While President Kennedy seemingly was holding out the olive branch to business in his Yale University talk, one administrationist failed to help advance his asserted good will toward business and industry.

Solicitor General Archibald Cox, in a speech for the Harvard Law School and Graduate School, took a jab at "free enterprise." Mr. Cox said there should be some way to bring the United States Government into wage and price decisions early in the negotiations. Said he:

"There are some wage and price changes which have such serious and widespread consequences that the public is entitled to a voice in the process of decision."

The top barrister in the executive branch of the government, other than Attorney General Robert F. Kennedy, confused and confounded listeners and readers by vowing that he wasn't advocating government controls. Then the question arose: Just what is he advocating?

Mr. Cox, a former law professor at Harvard, told the Harvard audience: "... The absence of any plan for bringing the public interest into play at a fairly early stage carries too much risk of direct confrontation between the President himself and the private parties involved."

In support of his contention the Solicitor General cited the head-on collision between the president and the big domestic steel industry in this country.

The "Uniontown" Story

Perhaps President Kennedy and Solicitor Cox have never heard of a little town in Alabama named Uniontown. Perhaps only a handful of people in the executive branch of our government ever heard of the commu-

nity. Perhaps only a corporal's guard in Wall Street ever heard of the place.

Yet, there is an important "buried" economic story in that little town of 2,000 people in the Alabama "Black Belt." It points up an area of our economy in this country that needs a remedy. The "Black Belt" gets its name from the soil.

Not too long ago this little Alabama town was surrounded by one of the greatest cotton raising sections of the old South Cotton Belt. Gradually, the area has given way to cattle raising. Today it is one of the finest cattle raising sections as fine herds dot the rolling countryside.

There is less work involved in raising cattle than growing and picking cotton. Thus, there are fewer workers in the agricultural economy at Uniontown. That is why perhaps there are some vacant stores on Water Street, the principal business street.

The intriguing economic story at Uniontown, Ala., nevertheless, does not involve the cotton economy, but the little steel mill located there.

The Cahaba steel mill is a well-managed and a growing little industry for the community. It has a fleet of trucks that travel across West Alabama, across Mississippi and Louisiana into Texas delivering steel products. This little industry helps the sagging agricultural economy of Uniontown.

Steel From Abroad

Uniontown is about 100 miles southwest of Birmingham, the great steel city, and the South's foremost industrial city. It is also about 165 miles North of Mobile, a seaport, and Alabama's No. 2 city.

Offhand, one would expect that the Cahaba steel mill would get its steel from Birmingham to supply its market. The facts are, most if not nearly all of the steel is presently coming from Germany's Ruhr Valley. It is shipped across the Atlantic and into the Gulf of Mexico and then into Mobile Bay, where it is unloaded.

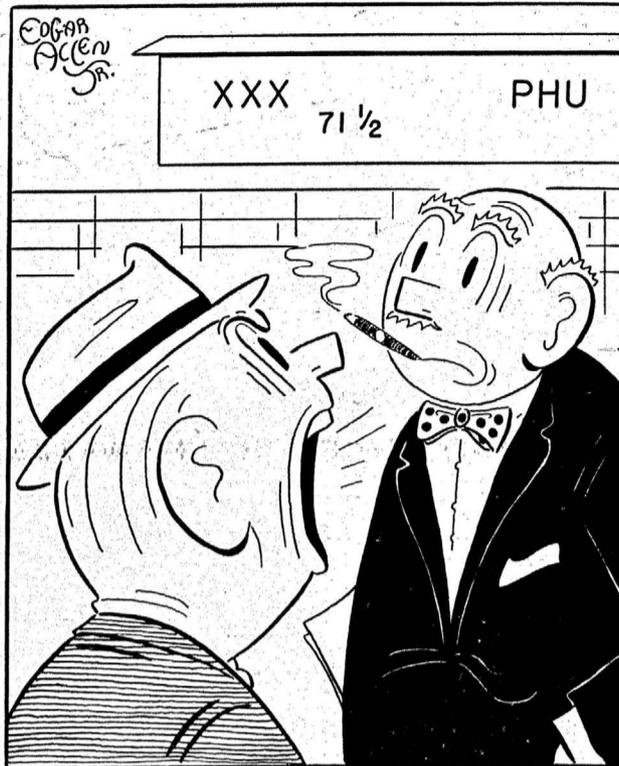
Cahaba buys the steel from West Germany and can get it delivered to Uniontown, Ala., substantially cheaper than it can buy it at nearby Birmingham.

Probably there are few, if any people, on Capitol Hill who know this story, but it emphasizes one thing since the dispute between the steel industry and the White House.

The Republican National Committee several days ago sought to play up the fact that German steel is being used by the United States Navy. The Navy plans to use German steel to build three missile frigates. The Republicans asked: "Although the Government ostensibly saved \$153,000 by this maneuver... How much will the U. S. and the States pay in unemployment benefits to the jobless steel workers during the period they would have been employed making this steel?"

West Germany of course allowed its steel industry to modernize, while this government continued to extract heavy taxes on the domestic steel industry. Some critics contend that much of the West German steel industry was able to modernize because our government provided \$4 billion in economic aid to West Germany since World War II.

Meantime, even the school boys in Uniontown, Ala., realize there is something wrong when a little industry in their own town can buy steel from across the



"I KNOW I can expect my stock to stop dropping by the day after tomorrow—that's SATURDAY!"

ocean much cheaper than they can buy it nearby.

[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 22, 1962 (Philadelphia, Pa.) Investment Association of Philadelphia annual outing at the Philadelphia Cricket Club, Flourtown, Pa.

June 22, 1962 (New York City) New York Society of Security Analysts 10th annual outing at Westchester 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.

Sept. 23-26, 1962 (Atlantic City, N. J.)

American Bankers Association annual convention.

Sept. 28, 1962 (Philadelphia, Pa.)

Bond Club of Philadelphia 37th annual outing and field day at the Huntingdon Valley Country Club, Huntingdon Valley, Pa.

Oct. 3, 1962 (New York City) New York Group Investment Bankers Association Meeting.

Oct. 4-5, 1962 (Cleveland, Ohio) Northern Ohio Group Investment Bankers Association Meeting.

Oct. 8, 1962 (Detroit, Mich.) Michigan Group Investment Bankers Association Meeting.

Oct. 8-9, 1962 (San Francisco) Association of Stock Exchange Firms Fall Meeting at the Mark Hopkins Hotel.

Oct. 9-10, 1962 (Minneapolis, Minn.)

Minnesota Group Investment Bankers Association Meeting.

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Oct. 11-12, 1962 (Los Angeles) Association of Stock Exchange Firms Board of Governors meeting at the Ambassador Hotel.

Oct. 24, 1962 (Cincinnati, Ohio) Ohio Valley Group Investment Bankers Association Meeting.

Oct. 26-28, 1962 (Hot Springs, Va.) Southeastern Group Investment Bankers Association Meeting.

Nov. 4-9, 1962 (Boca Raton, Fla.) National Security Traders Association Convention at the Boca Raton Hotel & Club.

Nov. 25-30, 1962 (Hollywood, Fla.) Investment Bankers Association Annual Convention at Hollywood Beach Hotel.

April 27-May 1, 1963 (Boston, Mass.)

National Association of Mutual Savings Banks 43rd annual conference at the Hotel Statler.

May 12-15, 1963 (Chicago, Ill.) Financial Analysts Federation annual convention at the Palmer House.

B. A. Freund Opens

BLOOMFIELD, N. J.—Barton A. Freund is conducting a securities business from offices at 128 Broad Street under the firm name of Barton Freund & Co. Mr. Freund was previously with Bache & Co.

C. S. Adler Opens

SILVER SPRING, Md.—Charles S. Adler is conducting a securities business from offices at 2466 Ross Road under the firm name of C. S. Adler & Co. Mr. Adler was formerly with Herschel & Co.

George Davis Opens

MINEOLA, N. Y. — George H. Davis is conducting a securities business from offices at 290 Old Country Road under the firm name of George H. Davis Enterprises.

H. L. Pokrass Opens

Harvey L. Pokrass is engaging in a securities business from offices at 311 East 54th Street, New York City.

Geo. Foster Opens

George Foster is engaging in a securities business from offices at 570 Fifth Avenue (c/o M. Fass), New York City.

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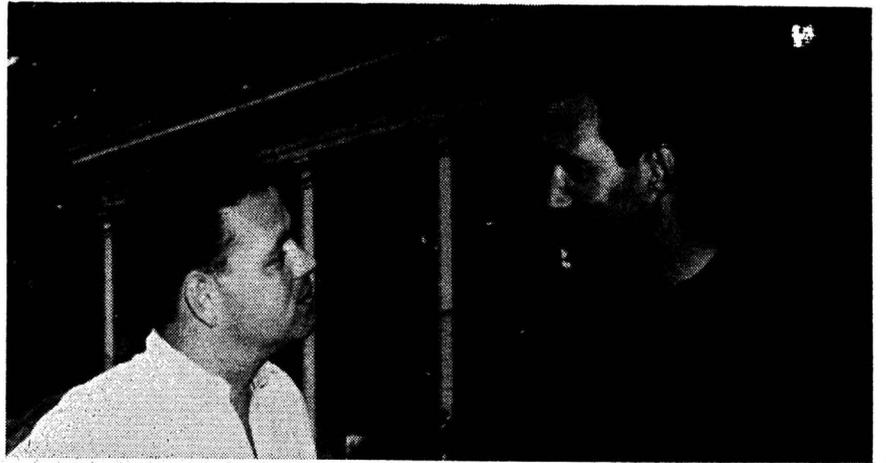
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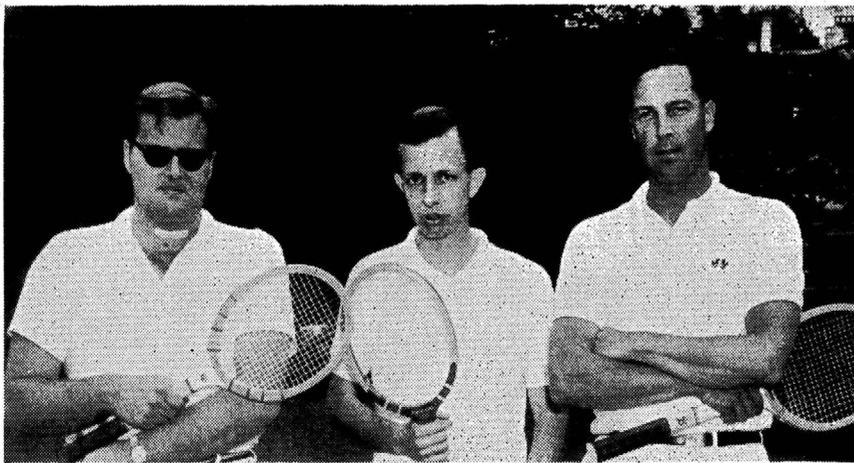
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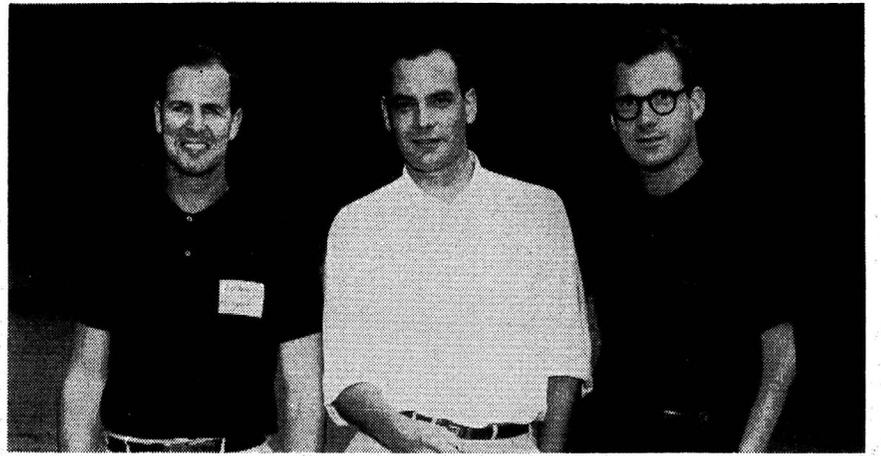


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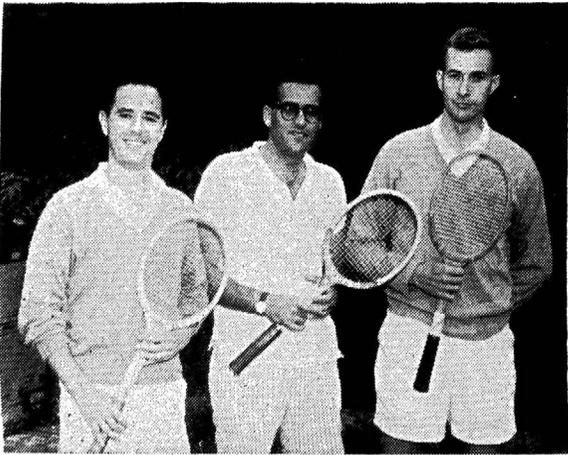
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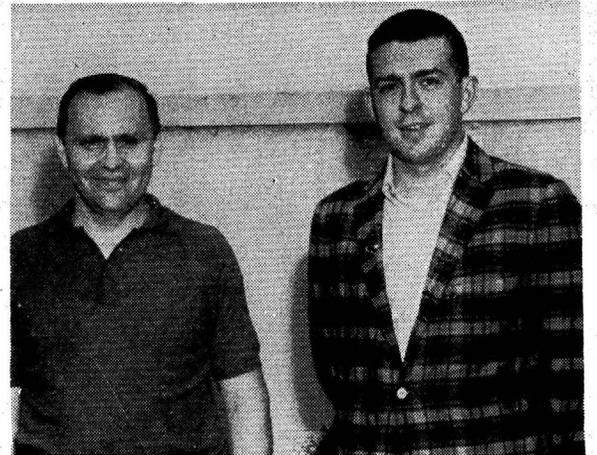
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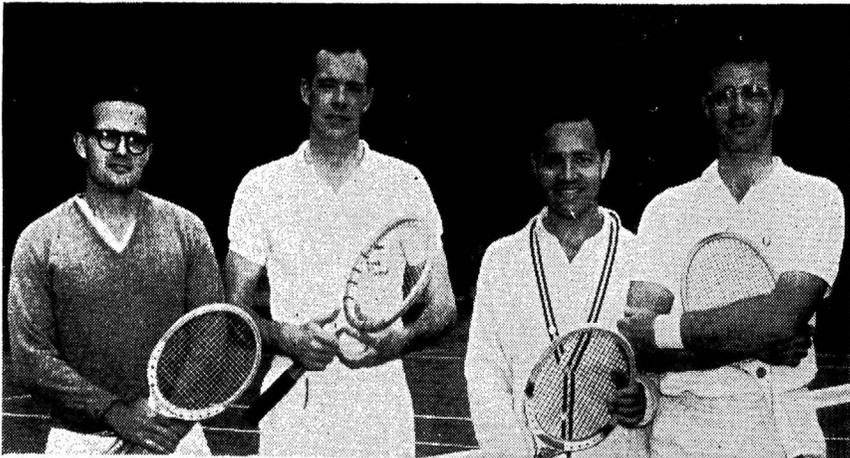
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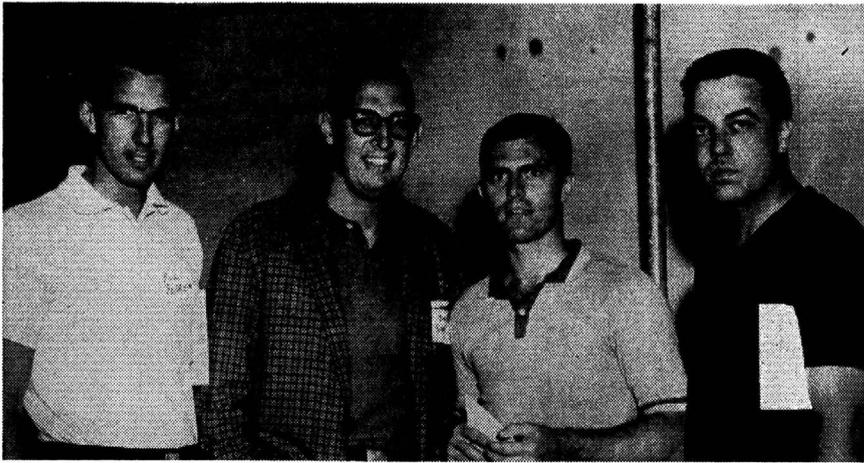


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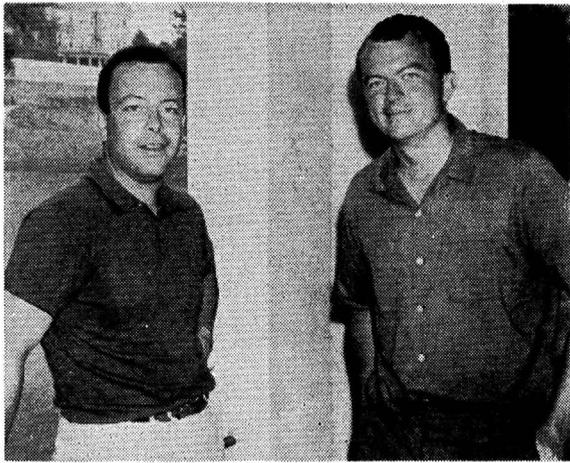
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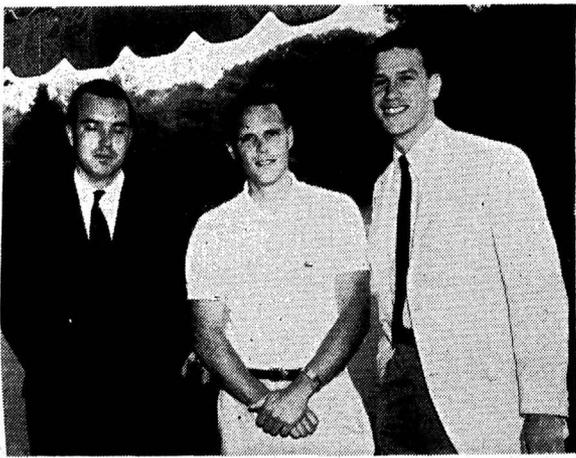
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