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EDITORIAL

As We See It

Popular insistence that something be done at once about an as yet non-existent recession seems to be rising from day to day. Various groups have sundry plans or schemes they think ought to be adopted by Congress and the White House. All are familiar enough. Pressure appears to be rising quite rapidly at the moment behind the demand for immediate and apparently quite indiscriminate tax reduction. It could well be that presently this particular suggestion will occupy most of the stage. As an anti-cyclical device tax reduction has long been preferred by many authorities to increased Government spending since the latter is inevitably slow in getting under way and likely to be unfortunate in the choice of projects. The present situation is, however, unique by reason of the fact that there is no recession, and no certainty that there will be one in the early future. The complaint, rather, is that business has not moved forward as rapidly and as far as had been hoped or planned.

Another Unusual Factor

Another unusual element in the current situation is the fact that in many influential quarters the tax reduction program is being pressed, not so much as an anti-cyclical device as a method of insuring continuing and greater growth of American industry. Of course, it may be said that the first step in assuring a more satisfactory growth rate is that of preventing upward movements in industry and trade from deteriorating into recessions. Indeed, such a plea is often made in so many words. But there is a good deal more in this growth matter than would be thus indicated. If growth is to be measured over a longer range of time as it must be to be intelligible, temporary ups and downs in the rate of business activity assume a different aspect. It may be that temporary setbacks promote growth by removing unsound elements from the situation which would ultimately retard growth, and it could be that steps which prevent recessions, if they at the same time (Continued on page 22)

Moratorium on Railroad Mergers Will Not Serve the Public Interest

By Rupert L. Murphy,* Chairman,
Interstate Commerce Commission

I, C. C. head voices strong opposition to proposed bill, S-3097, which would forbid approval of rail merger plans until Dec. 31, 1963, pending formulation of a fixed national transportation plan. The Chairman avers that in some cases it would be disastrous to hold up meritorious unification for such a long period, and that transportation progress should not be halted even temporarily. He refers to the impracticality of the national plan mandate provided in the 1920-1940 legislation, and praises the revision of that law in 1940 which set up four criteria to protect the public interest in, and which still fully governs, mergers.

I am appearing on the Commission's behalf to testify on a bill, S. 3097, "To amend section 7 of the Clayton Act to give full force and effect to the operation of the provisions of that section applicable to certain railroad consolidations and mergers until Dec. 31, 1963, and for other purposes."



Rupert L. Murphy

The subcommittee members may notice that throughout my statement no reference is made to cases now pending before the Commission. As they are aware, these cases will have to be decided on the basis of the record made before the Commission and it would be improper for us to discuss the issues.

Section 7 of the Clayton Act, which S. 3097 would amend, prohibits any corporation engaged in commerce from acquiring any stock of another if the effect "may be substantially to lessen competition, or to tend to create a monopoly." Similarly prohibited is the acquisition by

any corporation subject to the jurisdiction of the Federal Trade Commission of any assets of another, having such an effect. Specifically exempted are stock purchases made solely for investment. Also specifically exempted, among other things, are extensions of lines by common carriers through the acquisition of stock or otherwise by any other common carrier where there is no substantial competition between the acquiring carrier and the carrier whose stock or property is being acquired. The last paragraph of section 7 exempts from the prohibitions of that section consolidations, mergers, acquisitions of control, and other transactions approved by the Commission pursuant to authority vested in it by statute.

S. 3097 would amend this paragraph by adding a proviso to the effect that prior to Dec. 31, 1963, the Commission shall not approve any major railroad merger, consolidation, or control application in contravention of section 7 of the Clayton Act unless the railroad is at the time in involuntary bankruptcy, trusteeship, or receivership.

Under section 5 of the Interstate Commerce Act, the Commission has authority to approve proposed unifications or acquisitions of control of certain carriers, including railroads, if it finds that the proposed transaction will be consistent with the public interest. Paragraph (11) of that section specifically provides that the authority conferred upon the Commission by section 5 is exclusive and plenary, and that persons participating in a transaction approved or authorized thereunder shall be relieved from the operation of the antitrust laws and of all other restraints, limitations, and prohibitions of laws, etc. The effect of the enactment of S. 3097 would therefore be to suspend until Dec. 31, 1963, the Commission's authority to approve transactions involving major unifications or acquisitions of control of railroads unless or until involuntary bankruptcy occurs, or unless there is a finding that the transaction does not fall within the prohibitions of section 7 of the Clayton Act. The Commission now has (Continued on page 24)

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In a period when the stock market has drastically re-evaluated growth equities, Science Research Associates, Inc. stands out as a company of high quality with an outlook for continued rapid expansion. Since 1957, sales have compounded annually at a rate of 31% from \$2.9 million to an estimated \$11.5 million for fiscal year ending June 30, 1962. Per share earnings in this period have grown at a much faster rate, from 4¢ in fiscal 1957 to an estimated 60¢ in fiscal 1962.

SRA is a leading publisher of tests and curriculum material for the high school and elementary school levels. The company endeavors to apply modern psychology to learning techniques and emphasizes learning systems rather than hard-bound textbooks. The education market served by the company is steadily expanding and provides outstanding recession resistance, while the company's flexibility and new product development should enable it to continue to outgrow the education industry. Over the next five years, a 20% annual compound increase in sales would seem a reasonable expectation, while an improvement in profit margins should allow per share earnings to compound at close to 25% per year. Although it may seem hazardous to project earnings growth for any company beyond five years, the position of SRA in the testing and curriculum areas, coupled with its proven ability to introduce new educational concepts, would seem to assure the company longer term growth potential.

SRA has long been a major publisher of tests and testing services. Some of the better known tests published are the Iowa Tests of Educational Development, the Kuder Preference Records and the SRA Achievement Tests, all aimed at the elementary and high school level. Five years ago, the company won a contract, renewed last year, to publish and administer the National Merit Scholarship test which is given annually to over 500,000 11th grade students. SRA has also developed a test for 9th and 10th graders to be administered on the same day as the National Merit Scholarship test. Three years ago, SRA entered the college entrance examination field as the testing agency for the American College Testing Program. This test has since been accepted or required by over 670 of the nation's colleges, and was given to more than 300,000 students in the past school year.

Although the testing field is widely acknowledged as one of the fastest growing segments of the publishing industry, SRA's curriculum publishing should outpace the growth of its testing business. Its most outstanding success in curriculum publishing to date has been in the development

of multi-level reading materials, now available for grades 1 through 12. This program, consisting of boxed sets of reading material at increasing levels of difficulty, grouped in boxes for each of the several grades, permits each child in a class to read at his own level of speed and comprehension and frees the teacher to work with individual students. As each student has his own record book, he keeps track of his progress and, when he has advanced sufficiently in his level of reading, he indicates his progress to the teacher who can then advance him to a new level. As the student record books are expendable, there is a constant "razor-blade" business in a school for a number of years after a reading program is first sold. SRA introduced the multi-level reading program only five years ago and already over 6,000,000 students in the United States are using it.

SRA is willing to enter most areas of elementary and high school education, no matter how severe the competition, as long as it has a new product. Consequently, it is constantly invading or investigating new areas of education. Perhaps the most promising of these at the moment is in the field of mathematics where a new series, embodying an original approach to modern math, is being well received for use in schools this fall. Foreign languages is another particularly attractive area in which the company is concentrating.

SRA believes that its application of modern psychology to educational subjects is readily adaptable to the consumer field. The company entered into a licensing agreement early this year with Western Publishing Co. and Pocket Books, Inc., which should serve to let each of the three companies take advantage of the attributes and facilities of the other. Thus, materials which SRA develops for consumer use can be distributed through Pocket Books' rack stand sales organizations. There are many other possible benefits from this arrangement. Western, for example, has a number of publications which SRA will be able to use as a supplement to its own material, and a connection with Golden Books, jointly owned by Western and Pocket Books, could provide interesting possibilities in the home market for children's consumption.

Still largely untapped are the vast college and government markets. Of particular significance here is the recently passed Manpower Training Act for which Congress appropriated \$435 million to retrain unemployed people.

To sell its advanced educational concepts to the public, SRA has developed a sales force of the highest caliber. Most of its 60 full-time salesmen have advanced degrees. To prepare for its anticipated growth, the company is in the process of adding 20 additional salesmen this summer.

With the stock recently trading in the Over-the-Counter Market at the 15 level, down 50% from its 1962 high, SRA sells at 20 times our estimated earnings of 75 cents for fiscal year ending June 30, 1963. For accounts interested in capital appreciation, SRA provides outstanding growth prospects through its proven ability to expand more rapidly than the growing, recession-resistant market which it serves.

(This is under no circumstances to be construed as an offer to sell, or as a solicitation of an offer to buy, any security referred to herein.)



Henry W. Meers

This Week's Forum Participants and Their Selections

Science Research Associates, Inc.
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New York Air Brake Co.—Douglas Campbell, Manager of Research Dept., Ladenburg, Thalmann & Co., New York City. (Page 2)

DOUGLAS CAMPBELL

Manager of Research Department,
Ladenburg, Thalmann & Co.,
New York City

New York Air Brake Company

That a major correction in the stock market is no respecter of values was graphically demonstrated over the past several weeks



Douglas Campbell

during which time many already reasonably valued stocks declined along with the overpriced glamour issues. Among such casualties was New York Air Brake which receded from a high of 39% to the current price of 28, at which level it affords a yield of about 6% from an indicated \$1.60 a share annual dividend that we believe is likely to be more than twice covered.

Earnings for New York Air Brake for the full year 1962 should be around \$3 a share. For the initial quarter ended March 31, 1962, profits were 63 cents a share compared with 28 cents in the like 1961 interval. For the second quarter we estimate profits will nearly equal the first quarter and since the final half of the year normally contributes the major portion of profits, the company would seem to have a reasonable chance of at least equalling the 1959 experience of \$3.07.

Significant changes in New York Air Brake Co. have been effected over the past several years which do not appear to be fully reflected in the current price for the shares. Although the current ratio of earnings to price is about 12 times based on the 1961 profits of \$2.28 a share, compared with an historical average multiple of somewhat under 10, past market performance was based primarily upon the uncertainty of highly cyclical railroad equipment sales. Also completion of the ICC directed safety brake volume, for then existing equipment, had left New York Air Brake and others in the industry, largely dependent upon new railroad car building for brake volume.

Not so apparent, however, to the casual observer is the major change in the product mix of New York Air Brake which obtained only 17½% of its 1961 sales volume of \$43 million from air brake sales and, even more noteworthy, only about 6% of 1961 share profits. The balance, or about \$35 million, was generated within the other divisions of the company. One of the newest of Air Brake's divisions, B-I-F Industry, manufactures and sells a wide range of highly effective equipment for measuring, mixing and blending of liquids, solids and gases for the paper, chemical (including petrochemical) and rubber industries. Other customers of B-I-F are large municipal water filtration and sewerage disposal units. B-I-F Industries was acquired by Air Brake in

Continued on page 27

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The Balance-of-Payments Paradox—a Solution

By Benjamin Graham, Visiting Professor of Finance, U. C. L. A.

Noted financier-economist maintains our "paradoxical" payments situation has resulted simply from our long-term trading of liquid non-earning gold for profitable non-liquid foreign assets; and the incurrence of demand debts to the vendor countries. Offers detailed tabulations to show that the disquieting deterioration in our "net quick position" has been accompanied by stability in our "net equity" status. Terms our foreign investments the chief, although disregarded, new factor in causing the gold drain. Calling for a "long, clear look" at the actual figures in their proper historical perspective. Mr. Graham proposes that our new foreign investments be financed by corresponding long-term borrowings by us abroad.

In one sense the gold drain faces us with a major problem, verging on a crisis. Since December, 1949, our primary liquid position vis-a-vis the rest of the world has deteriorated from a plus balance of \$17½ billion to a net minus balance of \$7 billion at the end of 1961. We have lost about \$6½ billion in gold and have increased our demand obligations to foreigners by \$18 billion. If changes of this magnitude should continue for a few more years we would undoubtedly be threatened by a run on the dollar, which could quickly force us to suspend gold payments to our foreign creditors and turn the dollar into a "soft" currency with fluctuating exchange value.



Benjamin Graham

But in another sense our balance-of-payments problem is an artificial or superficial one. Our overall position with the rest of the world has not deteriorated since 1949; it has actually improved by \$2 billion or more, even if we exclude all of the \$17 billion due the U. S. Government. In the past six years we have not had an adverse balance of payments at all in its ordinary income-and-expense meaning, which excludes capital investments on one side or the other. Despite the reiterated cry that we have "priced ourselves out of world markets" our merchandise-export balance was at virtually an all-time high in 1961. Even after providing \$2.8 billion in U. S. Government grants and capital (some part of which is recoverable) we still had a favorable balance of \$1.6 billion in that year on all items except private-capital investments, net, and "unrecorded transactions." (The significance of the latter item is discussed in a note at the end of this article.) This showing has actually been bettered in only two years—1947 and 1957—since the figures were first published for 1929.

"Dying of Improvement"

How then did our troubles come about? Have we "died of improvement," as the old story has it? The explanation is a simple one, although there seems to be something of a conspiracy of si-

lence about it. What we have done since 1949 is to trade off a considerable amount of liquid, non-earning assets (gold) for profitable, non-liquid foreign assets. And we have acquired an even larger amount of these foreign assets by incurring demand debts to the countries of the vendors.

These developments are shown clearly enough, I hope, by the "balance-sheets" for 1949 and 1961 presented in Table I. Our "net equity" has indeed more than held its own, but our "net quick position" has not only worsened but has become disquieting.

Analogy With the Investor-Businessman

A simple analogy with an individual investor-businessman may bring out the basic situation. Assume that at the end of 1949 this individual had a large amount of unneeded cash and a relatively small security portfolio. Attracted by numerous profitable opportunities he invests on a moderate scale in 1950-55. But thereafter, as his cash balance shrinks and his bank loans increase, he not only continues his investment program but expands the annual rate nearly fourfold. Of this businessman we should say that he was smart and enterprising in starting to invest his surplus cash in 1950. But it looks now as if he has carried a good thing too far and it is time for him either to stop adding to his (foreign) portfolio or to make some new, more permanent arrangements for financing future investments.

In the ratio of perhaps a million dollars to one our picture of the individual fairly reflects our entire country's dealings with other nations in the past 12 years. Because historical comparisons have been sedulously left out of account in discussions of the problem, few people seem aware that our large-scale investment abroad is a relatively new phenomenon. During the decade of the 1930s we disinvested steadily while foreigners increased their long-term commitments here. We started making net foreign investments on a comparatively small scale in 1945; the figure reached \$1 billion for the first time in 1950 and then grew fairly steadily to more than \$3 billion net in both 1960 and 1961. Had we kept our net commitments since 1955 down to our pre-1950 maximum we would have had no shrinkage in liquidity

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Record Profits

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

A short commentary on discs and labels, artists and albums; and on certain progressive companies that are rewarding their shareholders with rapidly rising profits.

The record business has now swung full cycle. Just before radio set in, annual retail record sales in the United States reached a record high of \$106 million, in 1921. Then, there was a downbeat for years, followed by a post-war resurgence to over \$200 million in record sales in 1947.

The Disc Revolution

Next, television channeled onto the scene and, a year later, the 78 rpm record was dealt a shattering blow. Columbia and Victor, the "majors" in the industry, introduced long-playing discs. Columbia led off with a 33 $\frac{1}{3}$ rpm; Victor offered a whole number, 45, in competition. All of which made museum pieces out of a few billion old 78's; and, today it's principally 33 $\frac{1}{3}$ rpm in albums, and 45 in singles, with two speed phonographs a "must."

When this rotating revolution stabilized, the business of pressing platters and selling them, picked up. It got another boost four years ago, with the perfection of stereophonic LP records, which called for special players, with speakers placed about the room. This greatly improved the fidelity of sound transmission, and today, no true symphony or opera buff would think of spinning a monaural disc.

Huge Annual Sales

So, time has marched (and danced) on. We're now in the midst of a record boom, with sales (including educational discs) running to about 400,000,000 annually, representing roughly \$650 million in yearly record sales at retail. This dramatic rise in business volume is due not only to our increased leisure time, but to an important expansion in outlets—supermarkets, discount stores, drug and variety chains, not to mention 500,000 "jumping" juke boxes from coast-to-coast. Then too, a couple of decades ago, most people bought single records. Now, like it or not, you often have to buy a whole album (at \$3.98 or \$4.98) to get the record you want. Albums currently account for around 80% of sales.

The Leaders

The four leading record companies (Columbia, RCA Victor, Capitol and Decca) are responsible for about 40% of total industry sales. These have the advantage of long contracts with proven artists, huge catalogs for repeat or reorder business, broad

merchandising complexes, pressing facilities and money to advertise and promote artists and albums, form "captive" record clubs and even finance musical plays, just to get the record rights. Columbia has prospered magnificently from Mitch Miller and My Fair Lady, RCA Victor from Elvis Presley and Van Cliburn, Decca from Bing Crosby, and Capitol from Frank Sinatra and The Kingston Trio.

The broad expansion of the record industry has, however, left plenty of room for aggressive newcomers. Some of these, either by signing artists who later achieve sensational popularity, or by concentrating on the low priced popular market, rock and roll and juke box, have displayed outstanding growth rates and impressive upsurges in profitability.

Opportunities for Investors

Investors, attracted by the demonstrated earning power of the record industry, have a lot of interesting companies to choose from. Of the four leaders, however, three are divisions of companies in other lines, so that the stockholders' share in platter profits is a diffused one. Columbia Records is a division of Columbia Broadcasting System; RCA Victor is a part of Radio Corporation of America; Capitol is a division of Electric and Musical Industries, Ltd.

Decca Records, Inc. in addition to its large phonograph record business, derives substantial revenue from an 87% ownership of Universal Pictures. There is now in progress, however, a merger into MCA, Inc. Under the merger plan, each share of Decca is to be exchanged for one-third share of MCA, Inc. common, and one new share of MCA \$1.50 preferred, convertible into one-half share of MCA common. Decca sells currently at 37, and pays \$1.20. MCA, Inc. common sells at 37 and pays no dividend. The merger will combine the earning power of Decca with the large revenues MCA, Inc. creates from production and distribution of television series pictures.

Newer Public Companies

In the past two years, a number of young record companies have gone public, and provided, in a number of cases, attractive values to discerning investors. Liberty Records offered 150,000 common shares two years ago, at 7 $\frac{1}{4}$. Liberty earnings for year

ended Jan. 31, 1962 were more than double those of the previous year; and, even in today's down-trodden market, the stock sells at 10.

National Mercantile Corp. went public a year ago, with a package deal—one share of common and one warrant at 6 $\frac{3}{4}$, and a total of 100,000 units. This company is a disc merchant, specializing in buying up unsold lots of records produced by others, and marketing them at greatly reduced prices, through its own leased record sections in stores, and supermarkets, and other outlets. National Mercantile Corp. common is now quoted OTC at around three, and the warrants at one-eighth.

Premier Albums, Inc. offered 120,000 shares at five to the public in October 1961. Premier does most of its business in popular priced albums, and turns out its records in its own plant. Premier has prospered, reporting, for year ended Jan. 31, 1962, sales above \$2 $\frac{1}{2}$ million, and a net of 71 cents a share; against 20 cents for the preceding year, on volume of a little over \$1 million. Reflecting this significant upsurge in earning, which is continuing in 1962, Premier common now sells at 7 $\frac{3}{4}$, OTC, more than 50% over the original offering price.

Pickwick International, Inc. offered 100,000 shares of common last October at three. It merchandises discount priced albums and educational films. Results have been favorable and the stock now trades around four.

Cameo-Parkway Records publicly offered 200,000 shares at seven on April 25 of this year. Cameo has concentrated in the recording and distribution of records in the popular musical field. C-P has been especially successful in evaluating, in advance, and signing exclusive contracts with artists who have turned out a series of hit records. These popular stars include, Julie Wilson, Dee-Dee Sharp, Bobby Rydell, The Orlons, The Dovells and Chubby Checker, whose Twist records have been big income producers, both in the United States, and, from royalty rights, in many foreign countries.

Cameo-Parkway has prospered handsomely, increasing its gross sales from \$630,391 in 1958, to over \$4 million in 1961, with net profits expanding at an even faster rate. For the first quarter of this year, sales were over \$3 million, and net per share of 57 cents (against 15 cents for the same 1961 period). On this basis, Cameo-Parkway is expected to earn well over \$1.50 per share in 1962. Its common thus appears to represent an attractive current value, at 6 $\frac{3}{4}$ —less than five times indicated earnings.

We didn't have time to cover all the companies, publicly and privately owned, that are spinning new records in sales and profits. We did want to point out, however, that here is an interesting industry, in a dynamic growth phase. Profit margins are generally excellent, and representative shares seem to be attracting an impressive following among growth minded investors.

With Calif. Investors

LOS ANGELES, Calif. — Bernard Livingston has joined the staff of California Investors, 3544 Olympic Boulevard, members of the Pacific Coast Stock Exchange. He was formerly with Costello, Rusotto & Co.

Realty Resources Opens

Realty Resources Corp. is conducting a securities business from offices at 170 Broadway, New York City. Officers are Ronald J. Meiselman, president; Jerome Rosenberg, vice president; and Irwin K. Minzer, secretary and treasurer.

OBSERVATIONS...

BY A. WILFRED MAY

MARGIN POLICY IN PERSPECTIVE

We fully realize the beastly burden which has been forced on the Federal Reserve Board by the Securities Exchange Act of 1934, in obliging it to administer margin requirements. This has included pre-eminently the necessity to take into account a variety of "fluid" factors, economic and political.

In this context it seems interesting that the guidelines stated by the Board as applicable to this week's reduction to some extent embrace the general tendency in the speculative-investment world to forsake perspective after the establishment of new peaks or declines.

The Board cites the estimated \$600 million drop, "the largest monthly decline recorded in the postwar period," in borrowing by stock exchange member firms from banks on customer collateral. But it should be realized that the resulting present total, at \$2,645,000,000, is 24% higher than the \$1,756,000,000 outstanding when it was deemed necessary to raise margins all the way to 90% from 70% in October, 1958.

Similarly in the case of customers' credit balances. Although a "substantial decline" occurred in June, the May total was \$3,999,000,000 in May, which was down only 6% from the high of last December, and 30% above the figure at the 70%-90% margin rise in October, 1958, and 45% higher than the total at the 1955 50-70% margin rise.

The Market Criterion

On the other traditional major margin-setting criterion, namely, the state of the stock market, shift in policy is likewise apparent. In its formal announcement of the margin change the Board stated that "it took into account a sharp reduction in stock market credit in recent weeks and the abatement in speculative psychology." While the psychological factor is difficult to measure, it is interesting that the Dow-Jones Industrial Average at its present "depressed" level of 580, compares with its 425 when it was felt necessary to boost margins by the equivalent 50-70% in 1955—when the Congress felt it necessary to hold the Fulbright Investigation into the market's preceding rise.

Price/Earnings Ratio Significant

There are, of course, other factors, as the growth of GNP, inflation, earnings, etc., along with market speculation, that contribute to both the growth in market credit and in its price rise. But these are taken fully into account in the price/earnings ratio (the market's capitalization of current earnings)—the criterion officially endorsed by Messrs. Kennedy and Dillon. On this yardstick, too, the market seems far from deflated, as related to the Reserve Board's

past action. The current "deflated" price/earnings ratio of Moody's 425 stocks is at 15.80 compared with 13.7 when it was felt necessary to institute the reverse 50-70% margin rise in April, 1955.

A USURY GUIDE-BOOK

At last—we have a *how-to* book that shuns the beat-the-market theme, aiming for income yield instead of capital gains: "A Strategy of Investing for Higher Return," by Richard H. Rush (Prentice-Hall, 255 pp., \$15). Moreover, the author will not settle for stodgy yields of three, four or even six per cent; but offers "a sound and accepted business investment strategy" that yields returns of up to 18% and even higher on your money. His varied "strategic" high-return media include real estate mortgages; conditional sales contracts; finance company paper; foreign loans; building and loan associations, in Mexico as well as the United States, with both uninsured as well as insured deposits; and provision of "hock shop" services for art dealers (Mr. Rush's previous tome was "Art as an Investment").

Whether or not all these media actually are safe and profitable, Mr. Rush performs quite a unique public service in redressing the widespread overemphasis on capital gains goals which constantly progressed during the long bull market celebrating our mid-century: Newer Growth-and-Inflation Era.

Also basically constructive is the author's occupation with such a wide range of instruments, in encouraging investor "portfolio diversification" — in lieu of the widespread clinging to Blue Chips, or other "name" issues, irrespective of price.

Status of the In-Expert

A fundamental problem inherent in high-income investing policy, is derived from its lack of capital gains tax ceiling protection — with annihilation of the high-bracketed investor's net return (as from 12% gross down to about 3% after-tax net in the case of the 75% bracketed tax-payer).

We do not see how the author himself satisfactorily overcomes this tax difficulty. Mr. Rush is a well-to-do-financier and investment counselor; and he "owes it all" to the fabulously wealthy Paul Getty. "Without my association with J. Paul Getty," begins his acknowledgments, "this book most certainly never would have been undertaken. It was Paul Getty who first introduced me to the field of high return investment, in particular the fields of mobile sales, home sales, conditional sales contracts, chattel mortgages and insurance."

Eligibility for actually net high-yielding media is generally limited to the small taxpayer—whose knowledge usually does not en-

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compass such intricate investments media.

Expert Aid Facilitated

But this *inexpert* problem, as in the use of specific value criteria in general in investing operations, can be overcome by the amateur's use of professional help; whose overall policy he can order. With a small modicum of elementary education the lay investor can appraise his agent's activities. Moreover, he can allow his adviser to behave himself, in lieu of egging him on in unsound directions, as "fast-buck-making."

The Need for Risk Insurance

The need for setting aside, mentally, physically, or accounting-wise, a predetermined portion of a property's high annual gross distributions in order to amortize the risk over a foreseeable interval is agreed to by the author (his accountants, S. D. Leidesdorf & Co., suggest 3% in such additional "investor amortizations" for various realty instruments).

Such advance determination of the amount of risk-amortization in all his investments serves to keep the investor from "kidding himself" about the real expectable yield.

The Higher S & L Return

Dereliction in recognizing an incidence of risk in a relatively high return is importantly demonstrated in the Savings and Loan area, where "riskless" and "liquid" savings draw interest which is one percentage point and more higher (plus kitchenware and cameras) than the 3 3/4% on U. S. Savings Bonds, when held to their 10-year maturity.

The public has the impression of the S & L deposit's risklessness as equal to that of a Government obligation drawn from the industry's advertising; typically, containing the legend "Savings Insured by a United States Government Agency." Even Mr. Rush has been thus misled, stating in his endorsement of this instrumentality, "where the investment is insured by the government, it does not make a great deal of difference where it is." (On a radio discussion with this writer, Mr. Rush agreed that he had the common false impression.)

Actually the Federal Savings and Loan Insurance Corporation, while chartered by the Government, merely operates under its *aegis* (as correctly set forth in one Association's advertising, "chartered and [sic] supervised by the United States Government") There is no repayment obligation by the Treasury, as with its lower-yielding notes and bonds; nor an obligation of the Congress to appropriate needed funds, as in the case of the New Housing Authority's tax-exempt obligations.

There are a number of other offsets, as possible nonliquidity, to the S & L's higher return than is obtainable from savings banks and competing savings media. An Association is not a depository, nor is the investor a creditor against whom nonpayment creates an immediate default. The failure of a Savings and Loan investor, a stockholder, to get all his money out on demand does not constitute a default. (A) [after words "not constitute a default"], and insurance provision are not acti-

vated until there is a *technical* default. Such a default is not operative as long as the association continues to pay some proportion (usually one-third or more dependent on the type of charter) of its cash receipts to repurchase share accounts. Also consonant with the non-creditor shareholder position of the depositor is the possibility in case of an actually declared default, of standing at the "back-of-the-line" after his receipt of an initial repayment on account.

Thus, S & L investment typifies the appropriateness of a higher return.

FROM OUR MAILBOX

Regarding the Odd-Lotters

Dear Mr. May:

I have read with interest your Column of June 28 on the reversal in "trend-riding" by both the expert and inexpert investors.

I am glad you are interested in the odd-lots—because this is one of the very, very few exceptions where the public was right rather than wrong. I consider what we have gone through as a rich man's panic and the real underlying liquidation was caused by bank liquidation of long lines of collateral which probably had built up over many years.

To put it another way, I think what we had was a concealed margin situation; something similar to what we had in 1946.

JACQUES COE

Senior Partner,
Jacques Coe & Co.,
Members N. Y. Stock Exchange

**Bache Co. Names
Mills S. F. Mgr.**

SAN FRANCISCO, Calif.—J. Ogden Mills, Jr. has been appointed San Francisco Resident Manager of Bache & Co., 235 Montgomery St., the firm has announced.

Mr. Mills formerly was in charge of the West Coast corporate finance department of R. W. Pressprich & Co. In this capacity, he was active in underwriting, mergers and acquisitions, and private placements. His service with Pressprich included several months in Europe in the corporate finance field.

**Eberstadt to
Be NYSE Firm**

Andrew W. Eberstadt on July 19 will acquire a membership in the New York Stock Exchange, and on the same date, F. Eberstadt & Co., 65 Broadway, New York City will become an exchange member firm. Other partners are F. Eberstadt, Francis S. Williams, Peter B. Cannell, Samuel Chandler, Jr.

Joins Jones, Cosgrove

(Special to THE FINANCIAL CHRONICLE)

PASADENA, Calif.—Courtenay B. Goode has joined the staff of Jones, Cosgrove & Miller, 81 South Euclid Avenue, members of the Pacific Coast Stock Exchange. He was formerly with Taylor & Co.

Outlook for Electronics

By P. E. Haggerty, * President, Texas Instruments, Inc., Dallas, Tex.

Electronics industry is bound to grow at a faster rate than the rest of the economy because of such recent developments as fuel cells, lasers and molecular electronics. Texan industrialist traces the industry's fast growth, broken down by principal sectors, and submits a projection for continued rapid growth this year and next. Mr. Haggerty attributes the advance to date to the fundamental fact that man's mind, rather than his muscle, has been supplemented by a host of innovations.

Without doubt the most dynamic development of this 20th Century has been large-scale, organized research. More than 90% of all the scientists and engineers who ever lived are alive today. At the beginning of the 20th Century, there were 1,800 persons in the United States for each working scientist or engineer. By 1950 the ratio was 300 to 1 and, if the trend continues as it undoubtedly will to sustain our civilization, one working scientist or engineer to every 90 persons will be required in 1980 and probably about 1 to 40 in the year 2000. The power of this development, on an economic scale, is made especially clear by the fact that our GNP has increased at a rate of about 4% per year since 1930 while our national research and development expenditures, including all engineering, have increased at a rate of about 10% per year. National research and development expenditures were 3/10 of 1% of our GNP in 1930 and now approach 3%.



P. E. Haggerty

The products of these research and development efforts are all about us . . . in our homes, our aircraft, our communication systems, our radio and TV, in rockets and missiles, in atomic energy, in the satellites that ring our earth. The content . . . the existence . . . of many of these derive from research and development in the technologies represented by the total electronics market which it is my purpose at this time to forecast for the coming year. The forecast, it seems to me, will be more meaningful with some background on the industry and its development.

**The Total Electronics Market,
1921 - 1961**

Early industry data show that in 1921 the dollar volume was \$11 million. Volume moved ahead with the advent of radio and good times to \$460 million in 1929 and down with the depression to a nearly flat level thereafter except, of course, in the World War II years for which no data are included; as an estimate in 1945, a level of about \$4.5 billion was reached. The *steady*, significant growth for the industry, however, began in 1950 from a point well below that estimated war peak. The range from 1950 to 1961, as you can see, is \$2.6 billion to \$11.7 billion. In the process, the electronics industry progressively accounts for 0.9% of GNP in 1950 (\$2.6 billion to \$285 billion), 1.4% of GNP in 1955 (\$5.8 billion to \$397 billion), 2.2% and 2.3% in 1961 and 1962 forecast, respectively (\$11.7 billion to \$521 billion in 1961 . . . \$13.0 billion to \$560 billion forecast 1962). In 1965, the industry should account for 2.7% of our gross national product, a tripling of the 1950 position (\$15.8 billion to \$593 billion).

Why has electronics grown so rapidly? There are, of course, the obvious answers: television, the enlarged defense effort, computers, electronic data processing in general, space exploration, etc.

But, the answer I propose to this is more fundamental and related to the nature of electronics itself:

- a. Mass of electron.
- b. Speed.
- c. Ability to radiate controllable energy into space.
- d. Vacuum tube—transistor—are valves.

The fact is that rather than providing supplement to the muscle of man, electronics allow man to supplement his mind, his thinking process, his memory, his communications in terms of distance . . . and, on the dramatic side, the ability to exercise control over satellites millions of miles out in space. These, I suggest, are the reasons electronics should continue to grow faster than GNP.

In 1961, the electronics industry increased 11% from \$10.5 billion in 1960 to \$11.7 billion . . . while gross national product increased 3% and industrial production 1%. We forecast another 11% increase in 1962, a total of \$13.0 billion with a \$13.9 billion level in 1963 likely based on present evaluations of possible developments that year. More than a single homogeneous entity, the electronics industry is composed of three major sectors: consumer, industrial and government. The largest and for several years the fastest growing of these has been the government sector, having increased from \$500 million or 19% of the total \$2.6 billion electronics market in 1950 to the present estimate of approximately \$7.5 billion or 58% of the total \$13.0 billion market.

**Rapidly Rising Government
Electronics Spending**

No exact figures on electronics are released by the government, but careful analysis indicates that approximately \$6.9 billion of purchases by the government in the calendar year, 1961, were for electronic equipment. We forecast these expenditures to reach \$7.5 billion in the calendar year, 1962, and \$8.0 billion in 1963, a rapid increase which results from a combination of these factors:

Primary, of course, is the absolute increase in the size of total military spending for major procurement items during the past year. I believe it is estimated that

total military obligations for major hardware procurement will increase between fiscal 1961 and 1962 about \$2 billion . . . from \$15.6 billion in 1960 to \$17.5 billion for fiscal 1962 and that obligations will continue at this high level in fiscal 1963. While the effect on electronics industries billings of government obligations is customarily delayed several months, notwithstanding that time delay, large military obligations increase in fiscal 1962 will be reflected in a growing and dynamic military electronics market.

But, it will be growing and dynamic not only because of the effect of increased government obligations. Much of the forward motion at present and in the coming 12 months will result from the greater electronic content per military dollar. This is the case in Department of Defense research, development, test and evaluation obligations expected to increase rapidly from \$4.6 billion, \$5.9 billion to \$6.5 billion, in fiscal 1961, 1962 and 1963, respectively. There will similarly be significant electronic content in our expanded effort in space exploration, estimated to increase from \$1.8 billion for NASA in fiscal 1962 to \$3.8 billion in 1963.

**Industrial Electronics to Grow
Even Faster**

The second sector and the one of all three of the majors which seems to have the fastest growth potential in the years ahead is industrial electronics. In terms of the total Producers' Durable Equipment manufacture in the U. S., industrial electronics has already moved ahead in a rapid manner: from 1.8% in 1950 to 4.7% in 1957, to 7.8% forecast in 1962. Within the total electronics market it has expanded from a negligible percent in 1950 to \$1.9 billion in 1961, or 16% of the total \$11.7 billion market. In 1962 we forecast for industrial electronics a sizable 20% increase of \$400 million . . . to \$2.3 billion or 18% of the total \$13 billion market. The following year, 1963, industrial electronics is expected to show another increase of \$200 million. Again, the reasons are obvious: increased usage of both general purpose and special computers; increased reliance by industry on process controls, and the need for and the ability to develop better communications systems.

Historically, consumer electronics was the largest of the three sectors until the mid-fifties. In 1950 it represented 58% of the total market (\$1.5 billion to \$2.6 billion), but the portion steadily dwindled to the 1961 level of about 16% or \$2.0 billion of the total \$11.7 billion market. Consumer electronics goods have remained for about a decade between 4-5%

Continued on page 47

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Tax-Exempt Bond Market

By DONALD D. MACKEY

During the week past the market for state and municipal bonds has been quieter perhaps than during any weekly period this year. It was not until Thursday of this weekly period that sizable new issues attracted moderately competitive bidding thus breaking the market inactivity that had prevailed since late June. The Wednesday Fourth of July precluded any important underwriting for the week and the inertia of inactivity set up a market pattern not easily set back in motion. When the larger institutional investors reconcile themselves to a "made to order market situation that can favor only the investor their disdain of the dealer is as politely ruthless as the dealers' careless attitude towards the investor when the market is unmistakably on the up-beat.

Banks on the Sidelines

With no interesting underwriting last week the market literally withered on the vine. The municipal bond market's best customers during this summer period, the dealer banks, were practically out of the market. There was nothing for them to bid for and they usually don't particularly like the other fellows' offerings whether recent new issues remnants at reduced prices or secondary stuff at bargain rates. So the market has drifted aimlessly, if not amiably, with cut price blocks of bonds being vicariously offered here and there and more often than not being gently yet firmly turned down.

However, the offering lists note but little difference in the general level of high grade offerings since last reporting and our yield index therefore shows but little change on the week. Last week the *Commercial and Financial Chronicle's* 20-year high grade bond yield index averaged out at 3.080%. Currently the index averages at 3.083%. This indicates that the market is down less than one-eighth of a point based upon current secondary offerings.

Less Aggressive Pricing

As judged by the new issue bidding recorded on Tuesday and Wednesday, July 10 and 11, the general level of bidding is down at least 10 basis points (0.10%) from the level prior to the holiday week. The quiet respite afforded from new issue bidding apparently moderated the bidding views of our important dealer banks who had, almost as a group, supported the relatively high level of bidding during June. Their support, particularly in the high grade area, priced a large proportion of institutional interest out of the market.

This less aggressive attitude toward new issue bidding has lent new life to the state and municipal bond market, temporarily at least. Tuesday's large new issues have met with hearty investor reception as did those awarded on

* Our average was mistakenly put at 3.092% in last week's article.

Wednesday. With new issue volume ahead somewhat heavier than it has been for some time it appears likely that the new lower level of bidding may of necessity prevail through the dog days of July and August.

New Business Heavy for July

The new issue calendar for the balance of July currently totals somewhat less than \$400,000,000. Although this volume is not generally considered heavy for a three-week period, for July it is heavier than usual. With volume now running at a record breaking rate for 1962, it is now apparent that state and municipal bond financing will break all records for the year barring unforeseen disruptions. At present there are no important negotiated type underwritings in the mill for July flotation.

The inventory situation appears to be further improved although its total cannot be accurately adjudged. In the state and municipal bond category inventories may be relatively followed through the *Blue List* offerings. These daily totals have been hovering about the \$500,000,000 for the last four weeks. From a high of close to \$650,000,000 in early June the load has been appreciably reduced through price cutting and other means even including repurchase agreements. The *Blue List* total on July 11 was \$479,484,900.

Memphis May Refund \$163 Million Electric Bonds

Current negotiations between Memphis, Tenn. and the Tennessee Valley Authority may lead to the refunding of \$163,245,000 of the city's electric power revenue bonds. The city has engaged White, Weld & Co. as its financial advisor in the proceedings. (Further details will be found on page 21.)

Recent Awards

The new issue calendar for the past week involved several notable offerings, all of them selling on Tuesday and Wednesday as noted above. Early Tuesday the Chase Manhattan Bank group won \$4,850,000 Bangor, Me. various purpose (1963-1982) bonds at a net interest cost of 2.98% designating a 3% coupon. The runner-up bid naming a 2.99% net interest cost was entered by the First National City Bank of New York and associates.

Other major members of the winning syndicate are Lehman Brothers, Philadelphia National Bank and Ladenburg, Thalmann & Co. The bonds were reoffered to yield 1.70% in 1963 to 3.15% in 1982. The present balance is \$3,155,000.

Also on Tuesday a syndicate headed by the Harris Trust and Savings Bank won \$20,000,000 Greater Peoria, Ill., Sanitary and Sewage Disposal District (1963-1982) bonds on a bid setting a net interest cost of 2.9824%. The second bidder was the Northern Trust Co. with a 3.05% net interest

cost. In addition there were two other bids ranging from a 3.084% to a 3.107% net interest cost.

The First National Bank of Chicago, First National City Bank of New York, Bankers Trust Co., The First Boston Corp., C. J. Devine & Co., Mellon National Bank and Trust Co. are included as a few of the major members of the winning group. The bonds were scaled to yield 1.85% in 1963 to 3.20% in 1982. The present balance is \$7,980,000.

Los Angeles Bonds Well Taken

Also on Tuesday, \$21,000,000 Los Angeles, Calif., School District bonds, comprised of \$15,000,000 Unified School District and \$5,200,000 Junior College District bonds came to market. The loan was awarded to the Bank of America N. T. & S. A. group on a bid of 100.034 figuring a net interest cost of 3.247% for the Unified School District bonds and 100.027 for a net interest cost of 3.248% for the Junior College issue. The second bid, submitted by The Chase Manhattan Bank, Harris Trust and Savings Bank, Morgan Guaranty Trust Co. account, was a net interest cost of about 3.269%.

Other members of the winning account are First National City Bank, Bankers Trust Co., Blyth & Co., The First Boston Corp., First National Bank of Chicago and Smith, Barney & Co. This group reoffered the bonds due in 1963-1985 to yield from 1.65% to 3.40% and the 1986 and 1987 discount bonds to yield 3.80%. The present balance is \$3,976,000.

Late Tuesday, Memphis, Tenn. awarded \$23,000,000 general obligation (1963-1992) bonds to the Harris Trust & Savings Bank group which included, First National City Bank, The Chase Manhattan Bank, Chemical Bank New York Trust Co. and associates. The bonds were reoffered at prices to yield from 1.65% to 3.40% in 1988. The bonds due in 1989 and 1990 bore 1% coupons and were not reoffered. The bonds due 1991 and 1992 bore one-tenth % coupons and were priced to yield 4.50%. Bonds remaining in account total about \$4,195,000.

Close Bidding for Puerto Rico Issue

On Wednesday the First Boston Corp., Ira Haupt & Co. and B. J. Van Ingen & Co., Inc. group was high bidder on the \$22,000,000 Puerto Rico Water Resources Authority, Electric Revenue bond issue. The account bid 98.829 developing a net interest cost of 3.662%. A close second was the Kidder, Peabody & Co. group with a net interest cost of 3.664%. The winning syndicate is reoffering the bonds due 1967-1988 at yields from 2.45% to 3.70%. The 1964-1966 bonds were not reoffered.

Other major members of the group are John Nuveen & Co., Salomon Bros. & Hutzler, American Securities Corp., Allen & Co. and Dominick & Dominick. The small cover and good acceptance with which these high grade issues have met in the past would indicate that a broad interest in this issue at the current market level seems forthcoming. Presale interest was general. As we go to press the balance in the account is \$12,400,000.

Also awarded on Wednesday were \$4,500,000 City of Niagara Falls, New York (1963-1982) general obligation bonds. The winning group, composed of Kidder, Peabody & Co., C. J. Devine & Co., First of Michigan Corp. and associates bid at the rate of 100.51 for a 2.90% coupon. The Northern Trust Co. group was runner-up at 100.42 for 2.90%. The issue was priced to yield from 1.65% to 3.20%. This high grade New York name seems likely to attract con-

Continued on page 46

Larger Issues Scheduled For Sale

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

July 12 (Thursday)

Canton, Mass.	1,105,000	1963-1982	11:00 a.m.
Central Regional H. S. Dist. Ocean County, N. J.	1,595,000	1962-1981	8:30 p.m.
Fairfield, Newport, etc. Central School District No. 2, N. Y.	1,618,000	1963-1981	2:00 p.m.
Florida Development Commission Sacramento, Calif.	25,000,000	1965-1990	11:00 a.m.
St. John The Baptist Parish Sch. District No. 1, La.	7,905,000	1963-2000	8:00 p.m.
Schenectady County, N. Y.	1,900,000	1963-1982	11:00 a.m.
Tarrant County Water Control & Improvement Dist. No. 1, Texas	2,000,000	1963-1992	2:00 p.m.
Washington Local Sch. Dist., Ohio	13,500,000	1964-2001	11:00 a.m.
	2,400,000	1963-1982	Noon

July 16 (Monday)

Cascade Co. HSD No. 1-A, Mont.	3,000,000		8:00 p.m.
Clark County San. Dist. #1, Nev.	1,900,000		2:00 p.m.
Pima Co. S. D. No. 1, Ariz.	3,782,000	1963-1982	
Westfall Local Sch. Dist., Ohio	1,395,000	1963-1985	Noon

July 17 (Tuesday)

Alabama Building Finance Auth.	4,000,000	1964-1991	11:00 a.m.
Arkansas State College, Board of Trustees, State College, Ark.	1,587,000	1964-2001	2:00 p.m.
Cedar Grove Township S. D., N. J.	2,470,000	1962-1980	8:15 p.m.
Cook County, New Trier Township High Sch. Dist. No. 203, Ill.	1,825,000	1963-1980	8:00 p.m.
Lafayette, La.	2,500,000		
La Junta, Colo.	1,350,000	1963-1985	6:00 p.m.
Michigan (State of)	25,000,000	1963-1987	11:00 a.m.
Orlando Utilities Commission, Fla.	14,000,000	1965-1992	11:00 a.m.
Phoenixville Area Jt. S. Auth., Pa.	3,385,000	1963-1992	8:00 p.m.

July 18 (Wednesday)

Alabama State Bd. of Education	2,126,000	1964-2001	9:00 a.m.
Clarke County, Sch. Dist., Ga.	1,397,000	1963-1982	Noon
Denison, Indep. Sch. Dist., Texas	1,500,000	1963-1995	2:00 p.m.
Holyoke, Mass.	2,125,000	1963-1981	11:00 a.m.
Lockport, N. Y.	1,711,000	1963-1991	2:00 p.m.
Milwaukee County, Wis.	13,645,000	1963-1977	11:00 a.m.
Morristown, Tenn.	1,000,000	1964-1982	2:00 p.m.
Northwest Local S. D., Ohio	2,500,000	1963-1982	Noon
Salina City Sch. Dist., Kansas	1,200,000	1963-1982	11:00 a.m.
Suffolk County, N. Y.	8,217,000	1963-1982	Noon
University of South Florida (Bd. of Control)	2,430,000	1964-2001	11:00 a.m.

July 19 (Thursday)

Haddonfield S. D., N. J.	2,080,000	1963-1982	8:00 p.m.
Iron County, County S. D., Utah	1,000,000	1962-1974	8:00 p.m.
Lincoln Airport Authority	2,500,000	1964-1986	11:00 a.m.
Montgomery Co., Va.	1,500,000	1963-1982	Noon
Quincy, Mass.	1,225,000	1963-1982	11:00 a.m.
Wayne County, Mich.	1,750,000	1963-2000	11:00 a.m.

July 23 (Monday)

Dallas, Texas	12,400,000	1963-1982	1:45 p.m.
Maricopa Co. of Mesa S. Dists., Arizona	2,100,000	1964-1977	11:00 a.m.
Rocky River, Ohio	1,300,000	1963-1987	Noon

July 24 (Tuesday)

Anchorage, Alaska	3,060,000	1963-1982	10:00 a.m.
Anchorage Indep. S. D., Alaska	4,250,000	1964-1982	10:00 a.m.
Calvin College & Seminary (Grand Rapids), Mich.	1,600,000	1964-2001	10:00 a.m.
Dekalb County, Ga.	4,350,000		Noon
Mississippi (State of)	2,000,000	1972-1982	10:00 a.m.
New York City	103,000,000	1963-1992	11:00 a.m.

July 25 (Wednesday)

Boca Raton, Fla.	1,450,000	1964-1994	4:00 p.m.
Charlottesville, Va.	3,000,000	1963-1982	Noon
Hardin County, Ky.	1,100,000	1963-1982	11:00 a.m.
Louisiana (State of)	20,000,000	1962-1987	11:00 a.m.
Maryland State Roads Commission	15,000,000	1963-1977	11:00 a.m.
State University of Iowa	3,500,000	1966-1987	

July 26 (Thursday)

Hammond Sanitary District, Ind.	3,750,000	1964-1988	2:00 p.m.
Iowa State Board of Regents	3,500,000	1964-1987	11:00 a.m.

July 27 (Friday)

St. Joseph Hospital, Chicago, Ill.	1,000,000	1964-2001	10:00 a.m.
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July 31 (Tuesday)

Ohio State Univ., Bd. of Trustees	5,300,000	1963-2000	11:00 a.m.
San Diego Unified Sch. Dist., Calif.	14,827,000	1964-1983	
Union County, N. J.	2,035,000	1963-1978	11:00 a.m.

August 1 (Wednesday)

Hempstead Union Free Sch. Dist. No. 14, N. Y.	1,075,000	1963-1982	1:00 p.m.
St. Louis, Mo.	10,000,000		

August 6 (Monday)

Yuma Co. Jr. College Dist., Ariz.	1,555,000	1965-1974	2:00 p.m.
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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 14 (Tuesday)

Pennsylvania General State Auth.	40,000,000		
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August 15 (Wednesday)

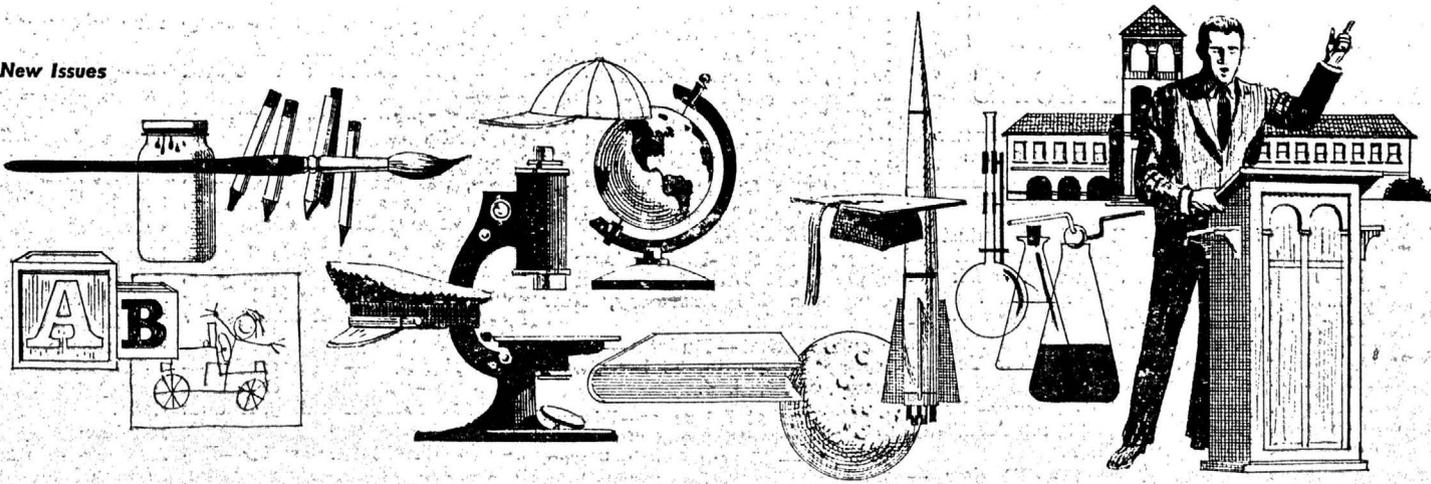
Beverly, Mass.	2,000,000		
Jacksonville, Fla.	7,650,000		10:00 a.m.
Jacksonville, Fla.	7,650,000		11:00 a.m.
Outagamie County, Wis.	2,800,000	1963-1982	11:00 a.m.

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%	3.00%
Los Angeles, Calif.	3 3/4%	1981-1982	3.40%	3.25%
Baltimore, Md.	3 1/4%	1981	3.15%	3.00%
Cincinnati, Ohio (U. T.)	3 1/2%	1981	3.15%	3.00%
Philadelphia, Pa.	3 1/2%	1981	3.35%	3.25%
*Chicago, Ill.	3 1/4%	1981	3.30%	3.15%
New York, N. Y.	3%	1980	3.50%	3.35%

July 11, 1962 Index=3.088%

*No apparent availability.

New Issues



\$21,000,000 Los Angeles

Unified School District • City Junior College District

Los Angeles County, California

4%, 3¼%, 3.40% and 2½% Bonds

Dated August 1, 1962

Due August 1, 1963-87, incl.

Payment and Registration—Principal and semi-annual interest (February 1 and August 1) payable, at the option of the holder, at the office of the Treasurer of Los Angeles County in Los Angeles, California, or at the fiscal agencies of the County in New York, N. Y., or in Chicago, Ill. First coupon (annual) payable August 1, 1963. Coupon bonds in denomination of \$1,000 registrable only as to both principal and interest.

Tax Exemption—In the opinion of counsel, interest payable by the Districts upon their bonds is exempt from all present Federal and State of California personal income taxes under existing statutes, regulations and court decisions.

Legality for Investment—We believe these bonds are legal investments in New York for trust funds and savings banks and in California for savings banks, subject to the legal limitations upon the amount of the bank's investment, and are likewise legal investments in California for other funds which may be invested in bonds which are legal investments for savings banks, and are eligible as security for deposits of public moneys in California.

Purpose and Security—These bonds comprise separate issues of two distinct districts. The bonds of each issue, in the opinion of counsel, constitute the legal and binding obligations of the issuing District and are payable both principal and interest, from ad valorem taxes which may be levied without limitation as to rate or amount upon all of the taxable real property in the issuing District and which, under the laws now in force, may be levied without limitation as to rate or amount upon all taxable personal property, except certain classes thereof, in the issuing District.

Tax Gain, Amortization of Premium—These bonds will be initially issued by the above named political subdivisions 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.

Legal Opinion—The above bonds are offered when, as and if issued and received by the underwriters listed below as well as other underwriters not shown, whose names will be furnished on request, and subject to approval of legality by Messrs. O'Melveny & Myers, Attorneys, Los Angeles, California, a copy of whose legal opinion will be printed on each bond.

ISSUES, AMOUNTS, RATES, MATURITIES AND YIELDS OR PRICES

(Accrued interest to be added)

\$15,800,000

Los Angeles Unified School District
Election 1960, Series F

\$5,200,000

Los Angeles City Junior College District
Election 1960, Series D

Unified School	Junior College	Coupon Rate	Due	Yield or Price
\$632,000	\$208,000	4%	1963	1.65%
632,000	208,000	4	1964	1.85%
632,000	208,000	4	1965	2.05%
632,000	208,000	4	1966	2.20%
632,000	208,000	4	1967	2.35%
632,000	208,000	4	1968	2.50%
632,000	208,000	4	1969	2.60%
632,000	208,000	4	1970	2.70%
632,000	208,000	3¼	1971	2.80%
632,000	208,000	3¼	1972	2.85%
632,000	208,000	3¼	1973	2.90%
632,000	208,000	3¼	1974	2.95%
632,000	208,000	3¼	1975	3.00%
632,000	208,000	3¼	1976	3.05%
632,000	208,000	3¼	1977	3.10%
632,000	208,000	3¼	1978	3.15%
632,000	208,000	3¼	1979	3.20%
632,000	208,000	3¼	1980	100
632,000	208,000	3¼	1981	100
632,000	208,000	3¼	1982	3.30%
632,000	208,000	3.40	1983	3.35%
632,000	208,000	3.40	1984	100
632,000	208,000	3.40	1985	100
632,000	208,000	2½	1986	3.80%
632,000	208,000	2½	1987	3.80%

- | | | | | | |
|--|---|--|---------------------------------------|--|--|
| Bank of America N. T. & S. A. | First National City Bank
<small>New York</small> | Bankers Trust Company | Blyth & Co., Inc. | The First Boston Corporation | The First National Bank
<small>of Chicago</small> |
| Smith, Barney & Co. | Security First National Bank | Wells Fargo Bank | United California Bank | Crocker-Anglo National Bank | Chemical Bank New York Trust Company |
| The Northern Trust Company | C. J. Devine & Co. | Merrill Lynch, Pierce, Fenner & Smith
<small>Incorporated</small> | Dean Witter & Co. | R. H. Moulton & Company | Seattle-First National Bank |
| Mellon National Bank and Trust Company | Bear, Stearns & Co. | William R. Staats & Co. | Reynolds & Co., Inc. | J. Barth & Co. | Ladenburg, Thalmann & Co. |
| E. F. Hutton & Co.
<small>Incorporated</small> | Shearson, Hammill & Co. | Ira Haupt & Co. | Paribas Corporation | Bacon, Whipple & Co. | William Blair & Company |
| First National Bank in Dallas | First Southwest Company | W. E. Hutton & Co. | Lyons, Hannahs & Lee, Inc. | McMaster Hutchinson & Co. | Mercantile National Bank at Dallas |
| New York Hanseatic Corporation | Republic National Bank
<small>of Dallas</small> | Roosevelt & Cross
<small>Incorporated</small> | Stone & Youngberg | Stroud & Company
<small>Incorporated</small> | Taylor and Company |
| James A. Andrews & Co.
<small>Incorporated</small> | Blunt Ellis & Simmons | Cruttenden, Podesta & Miller | Gregory & Sons | Henry Harris & Sons
<small>Incorporated</small> | J. A. Hogle & Co. |
| Kenower, MacArthur & Co. | Laidlaw & Co. | Irving Lundborg & Co. | National State Bank of Newark | Shuman, Agnew & Co. | Stern, Lauer & Co. |
| Bacon, Stevenson & Co. | C. F. Childs and Company
<small>Incorporated</small> | Julien Collins & Company | Dempsey-Tegeler & Co., Inc. | Fidelity-Philadelphia Trust Company | The First National Bank
<small>of Memphis</small> |
| Ginther & Company | J. B. Hanauer & Co. | Kean, Taylor & Co. | A. M. Kidder & Co., Inc. | Second District Securities Co., Inc. | Van Alstyne, Noel & Co. |
| Robert W. Baird & Co.
<small>Incorporated</small> | Dallas Union Securities Co., Inc. | Shelby Cullom Davis & Co. | A. G. Edwards & Sons | Fahey, Clark & Co. | The First National Bank
<small>of Miami</small> |
| The Fort Worth National Bank | Kalman & Company, Inc. | Lawson, Levy, Williams & Stern | Moroney, Beissner & Co., Inc. | Pierce, Carrison, Wulbern, Inc. | Seasongood & Mayer
<small>in St. Louis</small> |
| Seattle Trust and Savings Bank | Stubbs, Watkins & Lombardo, Inc. | Sutro & Co. | Thornton, Mohr, Farish & Gauntt, Inc. | Robert Winthrop & Co. | Allan Blair & Company |
| The Continental Bank and Trust Company
<small>of Salt Lake City</small> | Cooley & Company | The First of Arizona Company | Hooker & Fay, Inc. | Johnston, Lemon & Co. | Jones, Cosgrove & Miller |
| Kaufman Bros. Co. | Mitchum, Jones & Templeton
<small>Incorporated</small> | The National Shawmut Bank
<small>of Boston</small> | Newburger, Loeb & Co. | Piper, Jaffray & Hopwood | Stein Bros. & Boyce |
| Stockyards National Bank
<small>Wichita, Kans.</small> | Third National Bank
<small>Nashville, Tenn.</small> | Wachovia Bank and Trust Company | Wagenseller & Durst, Inc. | C. N. White & Co. | Arthur L. Wright & Co., Inc. |

July 11, 1962

A circular relating to these bonds may be obtained from any of the above underwriters, as well as other underwriters not shown whose names will be furnished on request.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Aerospace Stocks — Report with particular reference to **Bendix Corporation, Boeing Company, Garrett Corporation, Lockheed, McDonnell Aircraft, North American Aviation and Northrop Corp.** — Hemphill, Noyes & Co., 8 Hanover Street, New York 4, N. Y.

Auto Parts Manufacturers — Discussion in June issue of "American Investor" — American Investors, American Stock Exchange Building, 86 Trinity Place, New York 6, N. Y. — 15¢ per copy; \$1.00 per year. Also in the same issue are discussions of **Pioneer Plastics** and **Muntz TV**.

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

Canadian Stocks — Financial statistics on 400 Canadian stocks — **James Richardson & Sons, Inc.**, 14 Wall Street, New York 5, N. Y.

Container Industry — Memorandum — **Evans & Co. Incorporated**, 300 Park Avenue, New York 17, N. Y.

Convertible Debentures — List of interesting issues — **L. D. Sherman & Co.**, 52 Broadway, New York 6, N. Y.

Cosmetics Industry — Review in July issue of "Investornews" — **Francis I. du Pont & Co.**, 1 Wall Street, New York 5, N. Y. In the same issue are reports on **Southern Pacific, Chicago Pneumatic Tool, International Paper** and **Allied Chemical**. Also available is a memorandum on **Weiss Brothers Stores**.

Domestic Aluminum Industry — Report — **Reynolds & Co.**, 120 Broadway, New York 5, N. Y. Also available is a report on **Thrifty-mart, Inc.**

Economic Outlook — Bulletin — **Keystone Company of Boston**, 50 Congress Street, Boston 9, Mass.

Fallen Idols — List of depressed "glamor - growth" issues — **Schweickart & Co.**, 29 Broadway, New York 6, N. Y.

Growth Stocks — Data on 18 issues which appear attractive — **Eastman Dillon, Union Securities & Co.**, 1 Chase Manhattan Plaza, New York 5, N. Y.

Hawaii — Report on industrial development — Department of Business Research, Bank of Hawaii, Honolulu, Hawaii.

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

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

Japanese Market — Review — **Yamaichi Securities Co. of New York, Inc.**, 111 Broadway, New York 6, N. Y. Also available is an analysis of the **Japanese Food Industry** and comments on **Hakuyosha Co., Ltd., Kanto Race Club Co.** and **Korakuen Stadium Co.**

Life Insurance Companies — Memorandum — **Ralph B. Leonard & Sons, Inc.**, 25 Broad Street, New York 4, N. Y.

Life Insurance Stocks — Review with particular reference to **Travelers, Beneficial Standard Life, Midwestern United Life, United Insurance Company of America, United Security Life, and Lincoln National Life** — **J. H. Goddard & Co., Inc.**, 85 Devonshire Street, Boston 9, Mass.

Market Outlook — Bulletin — **Crutenden, Podesta & Miller**, La Salle at Jackson, Chicago 4, Ill.

New York City Banks — Comparative figures on nine largest banks — **Bankers Trust Company**, 16 Wall Street, New York 15, N. Y.

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

Overseas Markets — Review — **International Bond and Share, Inc.** International Building, San Francisco 8, Calif.

Portfolio for Income & Growth — Bulletin — **A. C. Allyn & Co.**, 122 South La Salle Street, Chicago 3, Ill. Also available are analyses of

American Hospital Supply Corp. and Time Incorporated.

Portfolios — Suggested quality portfolios in various categories — **A. M. Kidder & Co., Inc.**, 1 Wall Street, New York 5, N. Y.

Real Estate Securities — Report — **Synco Securities Corporation**, 527 Madison Avenue, New York 22, N. Y.

Selected Stocks — Bulletin — **Sutro Bros. & Co.**, 80 Pine Street, New York 5, N. Y.

Selected Stocks — In July issue of "Investment Letter" — **Carreau & Company**, 115 Broadway, New York 6, N. Y.

Stock Market — Bulletin — **Filor, Bullard & Smyth**, 26 Broadway, New York 4, N. Y.

Stock Market Influence — Discussion in current issue of "Investors Reader" — **Merrill Lynch, Pierce, Fenner & Smith Incorporated**, 70 Pine Street, New York 5, N. Y. Also in the same issue are discussions of **Dynamics Corp., Howard Johnson Company, Tappan Company, CTS Corp., American Metal Climax, Pendleton Tool Industries, Inc., Winn Dixie Stores, West Point Manufacturing and United Artists.**

Stock Values — Discussion — **David L. Babson and Company Incorporated**, 89 Broad Street, Boston 10, Mass.

U. S. Gold Position — Memorandum — **Edwards & Hanly**, 100 North Franklin Street, Hempstead, N. Y.

Ainsbrooke Corporation — Bulletin — **Richard Bruce & Co., Inc.**, 80 Pine Street, New York 5, N. Y.

Allied Chemical Corp. — Bulletin — **Purcell & Co.**, 50 Broadway, New York 4, N. Y.

American Can Company — Data — **Thomson & McKinnon**, 2 Broadway, New York 4, N. Y. Also available are comments on **General Electric Co., General Motors Corp., Southern Railway Co.** and **Standard Oil of New Jersey**, and a list of attractive stocks for upgrading.

American Cyanamid — Review — **Shearson, Hammill & Co.**, 14 Wall Street, New York 5, N. Y. Also available are comments on **Columbia Broadcasting System, Central Hudson Gas & Electric, Interstate Department Stores, James Beam Distilling, Huyck Corporation, Allied Chemical, American Enka, American Home Products, American Metal Climax, California Financial and City Financial.**

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

American Hardware — Analysis — **Colby & Company, Inc.**, 85 State Street, Boston 9, Mass. Also available is a report on **Tennessee Corp.**

American Meter Company — Survey — **Abraham & Co.**, 120 Broadway, New York 5, N. Y. Also available is a review of **Boston Edison Co.**

American Smelting and Refining Company — Analysis — **Laird, Bissell & Meeds**, 120 Broadway, New York 5, N. Y.

Asbestos Corporation Ltd. — Analysis — **Royal Securities Corporation, Limited**, 244 St. James Street, West, Montreal 1, Quebec, Canada. Also available is an analysis of **Newfoundland Light & Power Company Ltd.**

Associated Truck Lines — Bulletin — **Moreland & Co.**, Penobscot Building, Detroit 26, Mich.

Beaunit Corp. — Data — **Herzfeld & Stern**, 30 Broad Street, New York 4, N. Y. Also available are data on **Berg Warner Corp., Controls Company of America, Dresser Industries, General Motors, Federal Mogul, Bower Bearings, Oxford Paper and Pittsburgh Plate Glass.**

Borg Warner Corp. — Analysis — **Butcher & Sherrerd**, 1500 Walnut Street, Philadelphia 2, Pa. Also available is an analysis of **Edgcomb Steel.**

BuFroughs Corp. — Review — **New-**

burger & Company, 1401 Walnut Street, Philadelphia 2, Pa. Also available are reviews of **Duquesne Light, First National City Bank of New York, Frito Lay, McIntyre Porcupine Mines and United Artists.**

Central Hudson Gas & Electric Corp. — Memorandum — **Kidder, Peabody & Co.**, 20 Exchange Place, New York 5, N. Y. Also available is a memorandum on **High Voltage Engineering.**

Coastal States Gas Producing Co. — Memorandum — **Howard, Weil, Labouisse, Friedrichs and Company**, 211 Carondelet Street, New Orleans 12, La.

Colonial Stores — Memorandum — **Robinson - Humphrey Company**, Rhodes-Haverty Building, Atlanta 1, Ga.

Curtiss Wright Corporation — Report — **Blair & Co., Incorporated**, 20 Broad Street, New York 5, N. Y. Also available is an analysis of **Greyhound Corp.** and a memorandum on **Indian Head Mills.**

Customline Control Panels — Memorandum — **Samson, Graber & Co., Inc.**, 39 Broadway, New York 6, N. Y.

L. M. Ericsson Telephone Company — Report — **Winslow, Cohu & Stetson, Inc.**, 26 Broadway, New York 4, N. Y.

Fairchild Camera and Instrument Corp. — Analysis — **Paine, Webber, Jackson & Curtis**, 25 Broad St., New York 4, N. Y. Also available are comments on **Copeland Refrigeration, Radio Corporation of America, Boston Edison, North American Car Corp. and Tennessee Corp.**

Frontier Refining Company — Bulletin — **De Witt Conklin Organization, Inc.**, 120 Broadway, New York 5, N. Y.

General Electric Co. — Memorandum — **Dean Witter & Co.**, 45 Montgomery Street, San Francisco 6, Calif.

W. R. Grace — Memorandum — **Sincere and Company**, 208 South La Salle Street, Chicago 4, Ill.

Gulf Coast Leaseholds — Memorandum — **Brown, Allen & Co.**, Texas Bank Building, Dallas 2, Texas.

Gulton Industries — Memorandum — **Freehling, Meverhoff & Co.**, 120 South La Salle Street, Chicago 3, Illinois.

Hitachi Machinery — Memorandum — **Daiwa Securities Co.**, 149 Broadway, New York 6, N. Y.

Kulicke and Soffa Manufacturing Company — Analysis — **William T. Robbins & Co., Inc.**, Terminal Tower, Cleveland 13, Ohio.

Lamar Life Insurance Company — Analysis — **Equitable Securities Corporation**, 322 Union Street, Nashville 3, Tenn.

Life Insurance Co. of Georgia — Memorandum — **Courts & Co.**, 11 Marietta Street, N. W., Atlanta 1, Georgia.

Litton Industries — Analysis — **Robert W. Baird & Co.**, 110 East Wisconsin Avenue, Milwaukee 1, Wis. Also available is a discussion of **Convertible Bonds.**

Ludlow Savings Bank & Trust Co. — Memorandum — **D. Raymond Kenney & Co.**, 51 Broadway, New York 6, N. Y.

J. Ray McDermott & Co., Inc. — Analysis — **Hornblower & Weeks**, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are comments on **Southern Natural Gas Company, R. J. Reynolds, Burlington Industries, United Merchants & Manufacturers, Royal Dutch Petroleum, Bendix Corp., Gruman and Copeland Refrigeration.**

Midwestern Financial — Memorandum — **Amos C. Sudler & Co.**, American National Bank Building, Denver 2, Colo. Also available are memoranda on **Gem International, Mountain States Telephone, Pacific Power & Light and Denver Chicago Trucking.**

Mountain States Telephone Co. — Memorandum — **Federman, Stone-**

hill & Co., 70 Pine Street, New York 5, N. Y.

Norman Wiatt Co. — Analysis — **Schwabacher & Co.**, 100 Montgomery Street, San Francisco 4, Calif.

Pacific Clay Products — Analysis — **Mitchum, Jones & Templeton, Inc.**, 650 South Spring Street, Los Angeles 14, Calif.

Pan American World Airways — Memorandum — **Granbery, Marache & Co.**, 67 Wall Street, New York 5, N. Y.

Polymetric Devices — Analysis — **Weil & Co., Inc.**, Woodward Building, Washington 5, D. C.

Purex Corporation Ltd. — Analysis — **Hill Richards & Co.**, 621 South Spring Street, Los Angeles 14, Calif.

Rainbow Photo Industries, Inc. — Analysis — **Sinclair Securities, Inc.**, 37 Wall Street, New York 5, N. Y.

Rockover Brothers, Inc. — Analysis — **Loewi & Co. Incorporated**, 225 East Mason Street, Milwaukee 2, Wis.

Ronson Corp. — Report — **H. Hentz & Co.**, 72 Wall Street, New York 5, N. Y.

San Jose Water Works — Analysis — **First California Company, Incorporated**, 300 Montgomery St., San Francisco 20, Calif.

Shakespeare Company — Analysis — **William A. Fuller & Co.**, 209 South La Salle Street, Chicago 4, Illinois.

South Georgia Natural Gas — Memorandum — **Boening & Co.**, Alison Building, Philadelphia 3, Pa.

Tuboscope Co. — Bulletin — **Charles A. Taggart & Co., Inc.**, 1516 Locust Street, Philadelphia 2, Pa.

Unilever Group — Review — **Carl M. Loeb, Rhoades & Co.**, 42 Wall Street, New York 5, N. Y. Also available are reviews of **St. Joseph Lead** and the **Canadian Economy.**

United Biscuit Company — Review — **W. E. Hutton & Co.**, 14 Wall St., New York 5, N. Y. Also available are reviews of **Seaboard Finance Company, United Shoe Machinery Corporation, McDonnell Aircraft, North American Aviation, Boeing** and comparative figures on **Inter-city Trucking Lines.**

Wallace Investments, Inc. — Analysis — **Metropolitan Dallas Corporation, Mercantile Bank**, 1 Building Arcade, Dallas 1, Texas.

Warner Brothers Company — Report — **Wolcott, Thomson & Company, Inc.**, 500 Fifth Avenue, New York 36, N. Y.

West Coast Telephone — Analysis — **Birr & Co.**, 155 Sansome Street, San Francisco 4, Calif. Also available is a memorandum on **Pacific Power & Light.**

Wetterau Foods, Inc. — Memorandum — **G. H. Walker & Co.**, 503 Locust Street, St. Louis 1, Mo.

Now With R. J. Buck

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — **Rosario Novello** has become associated with **Richard J. Buck & Co.**, Statler Office Building. Mr. Novello was formerly with **Jennings, Mandel & Longstreth** and prior thereto was with **Hill, Darlington & Grimm** and **Reynolds & Co.**

Joins Quinn & Co.

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo. — **Carl H. Gustafson** has become associated with **Quinn & Co.**, American National Bank Building. Mr. Gustafson was formerly with **Wittow & Company** and **Brody Investments, Inc.**

Vernon MacDonald Joins A. W. Benkert & Co.

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — **Vernon S. MacDonald** has become associated with **A. W. Benkert & Co., Inc.**, 50 State Street. He was formerly with **F. L. Putnam & Company Inc.** and **Chas. A. Day & Co.**

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Puerto Rico's Economy Had Record Growth in Fiscal 1962

NEW YORK.—Puerto Rico's rapidly expanding economy established growth records in several key areas during the 1961-62 fiscal year ending June 30, it was announced here on July 2.

New single year highs were attained in the number of plants promoted, plants opened, total investment, employment, construction, tourism, and rum sales in the U. S.



J. Diaz Hernandez

J. Diaz Hernandez, Executive Director of Continental Operations for Puerto Rico's Economic Development Administration, called fiscal 1961-62 "the greatest single year in the history of 'Operation Bootstrap'."

"The vitality demonstrated by the Puerto Rican economy during the year just ended," he said, "coming after the 1960-61 slowdown, is most encouraging and we believe the records set in fiscal 1961-62 are a clear indication of the confidence with which American industry has come to regard the Commonwealth."

Mr. Diaz revealed that the Economic Development Administration, Puerto Rico's "Bootstrap" agency, promoted a total of 198 U. S.-affiliated and 70 locally-owned manufacturing plants during the year. This breaks the record set in fiscal 1959-60, when 158 U. S.-affiliated and 39 locally-owned plants were promoted.

Twenty of the 100 largest U. S. corporations now have one or more plants in Puerto Rico, Mr. Diaz said. Among the U. S. firms that decided in 1961-62 to either open plants or expand already existing operations, he listed: American Can; American Chicle; Anderson Die Casting; Becton-Dickinson; Bobbie Brooks; Colgate-Palmolive Peet; Euphonic; International Elastics; International Paper; International Shoe; Kayser-Roth; Libby, McNeil & Libby; Parke-Davis; Permatex; Proctor Electric; Schiffli Embroidery; U. S. Rubber; Van Camp Sea Foods; and Warner Lambert.

There are now more than 800 "Bootstrap" plants in Puerto Rico. The 268 plants promoted in fiscal 1961-62 represent an investment of over \$28,300,000 and are expected to employ an estimated 15,000, another record.

"Bootstrap" - promoted industries now employ over 60,000 and have created an additional 60,000 indirect jobs. Total investment in "Bootstrap" - promoted industry reached \$670,000,000, as compared with \$590,000,000 at the close of fiscal 1960-61. Of this total better than 90% is private capital.

"One of the most important trends revealed by the records set during the fiscal year," Mr. Diaz said, "is the continued growth of Puerto Rico's construction boom. The total value of building permits issued during the first 11 months of 1961-62 was \$187,200,000, 54.6% higher than in fiscal 1960-61. This includes 12,500 new private housing units (up 48.8% from last year) and 6,500 public housing units (up 24.4%). Hotel construction also contributed to the overall gain, as three major projects (El Convento, the Pierre and El Conquistador) were finished, four (the Americana, the Sheraton, the Dorado Riviera and the Holiday Inn) passed the halfway point and several others were started."

Tourism and the sales of Puerto Rican rums in the United States

also set new records, Mr. Diaz said.

With total passenger movement at San Juan's International Airport rising 17% to 1,725,000, hotel registrations reached 255,000, a gain of 18%. The expansion of tourism facilities and the establishment, by Delta Airlines, of direct jet service from Los Angeles to San Juan is expected to boost non-resident hotel registrations to around 300,000 in fiscal 1962-63.

Mr. Diaz reported that Puerto Rican rums accounted for 75% of the rum sold in the United States in the past year. Over 1.4 million cases were shipped to the mainland and Commonwealth revenues from Puerto Rican rum sales in the United States topped \$28,500,000, as compared to last year's record total of \$24,500,000.

Summing up Puerto Rico's economic progress, Mr. Diaz noted that on July 25, 1962, the island will celebrate the 10th anniversary of its elevation to Commonwealth status.

"Over the past decade," he said, "Puerto Rico's economy has maintained an annual average growth rate of 7.5%, but in two of the past three years the growth rate

has exceeded 9% and it is now apparent that the Commonwealth is entering a new and broader phase of its development.

"Industry is no longer something new to Puerto Rico. Our tax exemption program has been expanded to offer greater benefits and encourage decentralization and the integration of related industries has made the island a feasible, as well as attractive, plant location site for many firms. It is significant that 89 of the 198 U. S.-affiliated plants promoted this past fiscal year represent companies that are new to manufacturing in Puerto Rico. Five years ago establishment in Puerto Rico might have been unfeasible for many of these companies.

"The prospects for growth are virtually unlimited. For example, our program to encourage joint ventures, featuring U. S. and Puerto Rican capital, is now moving into its second full year with 36 such enterprises already established; and the U. S. Foreign Trade Zone at Mayaguez is being developed to give the Commonwealth a new role in international commerce.

"We have a long way to go before we reach the goals set for 'Bootstrap' and Puerto Rico. The unemployment rate has dropped somewhat in the past 10 years, but it is still around 13% and remains one of our chief targets as we press on toward the 'Bootstrap' goal of 2,000 plants by 1975."

Under the provisions of the Acts of Congress now in force, the Bonds and income therefrom are, in the opinion of Bond Counsel, exempt from Federal and State taxation.

NEW ISSUE

July 12, 1962

\$22,000,000

Puerto Rico Water Resources Authority (An Instrumentality of the Commonwealth of Puerto Rico)

Electric Revenue Bonds

(Series 1962—Refunding)

To be dated July 1, 1962

To mature January 1, as shown below

The Bonds which mature after January 1, 1968 are subject to redemption prior to their respective maturities, upon not less than 30 days' prior published notice, either in whole, on any date not earlier than January 1, 1968 from any available moneys, or in part, by lot, in inverse order of their maturities from moneys in the Sinking Fund, on any interest payment date not earlier than January 1, 1968, at the following prices plus accrued interest: 104% on or prior to January 1, 1972; 103% thereafter on or prior to January 1, 1976; 102% thereafter on or prior to January 1, 1980; 101% thereafter on or prior to January 1, 1984; and 100% thereafter.

Principal and semi-annual interest (January 1 and July 1) payable at the Corporate Trust Office of First National City Bank, New York, New York, or, at the option of the holder or registered owner, at the office of First National City Bank, San Juan Branch, San Juan, Puerto Rico. Coupon bonds in denomination of \$5,000, registrable as to principal alone or as to both principal and interest. Fully registered bonds may be reconverted into coupon bonds, without charge by the Authority to the bondholder.

Legal investment, in the opinion of Bond Counsel, for Savings Banks and Trust Funds in the State of New York.

Eligible for deposit by banks in Puerto Rico to secure public funds, and by insurance companies to qualify them to do business in Puerto Rico as required by law.

The Bonds will be refunding bonds issued under and secured by the Trust Indenture dated January 1, 1947, as amended by Supplemental Indentures dated January 1, 1948, July 1, 1956, January 1, 1961 and March 1, 1962, entered into by and between the Authority and First National City Bank, New York, N. Y., Trustee. The Bonds will be issued in accordance with the provisions of Section 211 of the Indenture. The principal of the Bonds, and all other outstanding Bonds issued by the Authority under the provisions of the Indenture (including Bonds sold to the Rural Electrification Administration), and the interest thereon are payable solely from the Puerto Rico Water Resources Authority Electric Revenue Bonds Sinking Fund to the credit of which the Authority has covenanted to deposit a sufficient amount of the revenues of the System, after payment of current expenses of maintaining, repairing and operating said System, to pay such principal and interest.

AMOUNTS, MATURITIES, INTEREST RATES AND YIELDS (OR PRICES)

Amount	Maturity	Interest Rate	Yield to Maturity	Amount	Maturity	Interest Rate	Yield to Maturity or Price	Amount	Maturity	Interest Rate	Yield to Maturity or Price
\$250,000	1964	3 1/4%	2.00%	\$360,000	1972	3 1/4%	3.00%	\$ 525,000	1981	3 1/2%	100
260,000	1965	3 1/4	2.15	370,000	1973	3 1/4	3.10	830,000	1982	3 1/2	3.55%
275,000	1966	3 1/4	2.30	380,000	1974	3 1/4	3.20	1,010,000	1983	3.60	100
285,000	1967	3 1/4	2.45	400,000	1975	3 1/4	100	900,000	1984	3.60	100
300,000	1968	3 1/4	2.60	405,000	1976	3 1/4	3.30	3,900,000	1985	3.60	3.65
325,000	1969	3 1/4	2.70	415,000	1977	3 1/4	3.35	4,010,000	1986	3.70	100
335,000	1970	3 1/4	2.80	480,000	1978	3 1/2	3.40	4,135,000	1987	3.70	100
340,000	1971	3 1/4	2.90	570,000	1979	3 1/2	3.45	350,000	1988	3.70	100
				590,000	1980	3 1/2	100				

(plus accrued interest)

The Bonds are offered for delivery when, as and if issued and delivered to us and subject to the approval of all legal proceedings by Mitchell, Pershing, Shetterly & Mitchell, New York, N. Y., Bond Counsel. The offering of these Bonds is made only by means of the Official Statement, copies of which may be obtained from such of the undersigned as are registered dealers in securities in this State.

- | | | |
|---|-----------------------------|--|
| The First Boston Corporation | Ira Haupt & Co. | B. J. Van Ingen & Co. Inc. |
| John Nuveen & Co.
(Incorporated) | Salomon Brothers & Hutzler | American Securities Corporation |
| Allen & Company | | Dominick & Dominick |
| Banco Credito Y Ahorro Ponceño | Banco de Ponce | Banco Popular de Puerto Rico |
| Reynolds & Co., Inc. | Baxter & Company | Cutter, Bennett & Co. |
| Geo. B. Gibbons & Company
Incorporated | Barcus, Kindred and Company | Eddleman, Pollok & Fosdick
Incorporated |
| A. P. Kelly & Co.
Incorporated | The Milwaukee Company | Investment Corporation
of Virginia |
| | | Penington, Colket & Co. |
| | | H. J. Steele & Co. |
| | | Fitzpatrick, Sullivan & Co. |
| | | First Southwest Company |

Outlook for Business and The Interest Rate Pattern

By Victor R. Farhi,* *Economist, The Bank of New York, New York City*

Bank economist foresees (1) modest GNP rise this year averaging out to \$560-\$562 billion or \$10 to \$8 billion less than the White House's estimate, and (2) slight rise in the short term interest rate and continuation of longer term rates or possibly a small decline. Analysis of the business outlook compares present with previous business cycle and notes that the current balance of payments problem and clash between the non-inflationary and inflationary proponents of growth go back, respectively, to 1923-1929 and William Jennings Bryan's fight against the gold standard. The key to the lackluster in the economy is said to lie in stimulating private capital investment and this is compared with business desire to modernize rather than expand. The investment incentive tax and liberalized depreciation plans now before Congress, if passed, are expected to have a beneficial effect upon capital spending.

A business forecaster's job is to survey all the forces operating in the economy and to arrive at an unbiased estimate of the future. Today the situation is difficult. In addition to the standard factors with which we all are familiar, there are new elements which are becoming more and more important daily. The foreign situation, the influence of a strong Administration in Washington, and increasing competition, both domestic and foreign, are fairly new to the American scene.



Victor R. Farhi

Let me give my conclusions first:

(1) The probabilities favor a gradual increase in business for the remainder of this year with a rounding out—plateau—achieved by the end of the year. It is too early to determine whether there will be a let down in 1963 but without a greater-than-expected increase in capital expenditures, the year 1963 could show little growth, or a possible decline.

(2) Short term rates may move up slightly. The rate on new Treasury bills, now at about 2 3/4% will probably not reach 3 1/4%. Longer term rates should remain firm, or decrease slightly. The pendulum has swung towards more and more fiscal action by the Federal Government accompanied by less and less direct cyclical action by the monetary authorities. This tends to indicate an era of smaller fluctuations in money rates with an emphasis on low rates. However, we will not return to the rates that prevailed during World War II. Commercial bank rates will not move in either direction.

Let us develop these thoughts and if possible quantify them.

Most business recoveries proceed in a set fashion. As soon as the cyclical low has been passed, production, sales, inventories, profits and interest rates move up quite sharply. As the recovery progresses, the rate of increase slows down until, at the crest of the cycle, the increase becomes zero. It is difficult to tell, except by hindsight, when the crest is reached or even the time duration of that crest.

The last business recession bottomed out in February 1961, at a Federal Reserve Board Index level of 102. The recovery proceeded in normal upward fashion, reaching an index level of 115 by the end of last year. In spite of the large stockpiling of business inventories early this year in anticipation of a steel strike, total production stayed about level. Many commentators blamed this on the weather. This could be a

plausible alibi if all economic measures were similarly affected. This was not the case; retail sales, especially of automobiles, and utility production were especially good.

The settlement of the steel labor problem, and the humpty-dumpty steel price increase, have definitely changed the pattern of this year. Instead of a large build up of inventories in anticipation of a strike, we are now faced with excess inventories in the steel mills which will be a drag on production until they are worked out. Thus any growth in the next few months will be tempered by a slowdown in the production of one of the basic metals.

The economy lacks brilliance; it is now in a period where it is approaching the crest of the recovery. There seems to be a lack of basic demand—a lack of forces which make for a continuation of the up-phase of the recovery.

GNP Projection

The Economic Report of the President suggests a Gross National Product level of \$570 billion for the calendar year 1962. With a first quarter level of \$549 billion, a level of \$590 billion in the last quarter of this year is necessary to achieve the suggested \$570 billion level. This is unlikely. The most reasonable maximum estimate for the last quarter of this year seems to be in the neighborhood of \$575 billion making the 1962 yearly average about \$560-\$562 billion.

The above Gross National Product estimates hide a mess of details but they give an indication of the slowness—or the lack of brilliance—of the recovery. We can expect, in most years, an increase in consumer expenditures for nondurable goods and services, and increasing outlays by state and local governments. Recovery years show, in addition to the increases in the sectors above, increases in consumer outlays for durable goods and increasing investment in private business. The year 1962 will show increases in these latter sectors but at more moderate rates than in previous recovery years.

The key to a well sustained recovery lies in further increases in private capital investment, greater than now expected. Such investment is vital to our economy to modernize our equipment so as to more effectively compete in today's markets. Further, increasing capital investment has a multiplying effect on incomes of people.

Statistics seem to indicate a decreasing desire by American business to invest in capital equipment. We can no longer expect a large increase or a large decline in capital investment because the reasons for investment have changed. Whereas, formerly, American industry invested mainly for expansion, the motive for today's capital spending is modernization. The desire to modernize, and for research and development, is very large in American

business. Outlays for modernization are continuous and generally less volatile than outlays for expansion.

Awaited Tax Proposals

It is too early to determine the effects on business investment of the Administration's collision with the steel industry. We are awaiting, with almost bated breath, the investment incentive proposals now before the Congress and the liberalized depreciation allowances promised by the Administration. We feel that both of these proposals will have a beneficial effect upon private investment, but we are unable to determine the magnitude. American industry is operating today at about 83% of capacity—a long way from the preferred operating rate of 90%—and still shows no great desire to expand for expansion's sake.

All readings of the current economic picture show the lack of lustre in the present recovery. Without a boom in capital investment, which can maintain the recovery, it would appear that the growth phase of this business cycle is petering out. The top of the recovery, usually a plateau, seems within reach. This can be watched in the future by an examination of an index such as the Federal Reserve Board's Industrial Production Index.

The crest of a business cycle is usually followed by a decline which is difficult to pinpoint, except by hindsight. It does seem plausible that some type of economic let-down will take place in 1963.

If my conclusions are correct, this will be the second recovery in succession during which our economy did not reach its full potential. The suspicion always arises that the long term growth trend of our economy has been effected. It is highly doubtful whether full employment, defined by President Kennedy as a labor unemployment rate of 4%, will ever be achieved, under conditions as exist today, unless some basic institutional changes are made.

Inflationary and Non-Inflationary Growth Proponents

There are generally two schools of thought as to how to achieve economic growth. The one school would stimulate the private economy, through artificial means, regardless of the effect on prices. The other school would leave the economy alone; it contends that artificial stimulation of the private economy leads to inflation and is dangerous. The latter believes that growth should be achieved within a stable price level. This is the basic conflict within the American economic system—the conflict between the debtor and the creditor. It is not new. There are many examples of past conflicts between the hard money and soft money schools. For example, we have had the conflict between the silverites and the gold standard proponents in the time of William Jennings Bryan; and the conflict between the early Republicans under Thomas Jefferson and the Federalists under Alexander Hamilton.

The pendulum seems to swing back and forth between price stability and full employment. In many of the years since the end of World War II, prices were constantly rising and unemployment as a percent of the labor force was low. Today prices seem to be stable, and unemployment is higher. Thus the authorities are concentrating on policies which it is hoped will lead to greater utilization of the labor force.

Monetary actions taken during this recovery are entirely different from those taken during previous recoveries. This is clearly illustrated by the rate on new Treasury 3-month bills. In the recovery of 1953-1959, the bill rate rose from below 1% to about 4 1/2%—an increase of almost 400

basis points. In the present recovery, the bill rate rose from 2.2% to 2.8%—an increase of 60 basis points. The basic policy objectives of the Federal Reserve have not been changed. They are clearly defined, i.e., to assist in sustainable growth of the country, consistent with a policy of price stability. Or to put it another way, to allow enough bank credit for growth, not too much so that it would be inflationary or too little so that it may lead to deflation.

New Monetary Approach

In recent years, the all important task of protecting the integrity of the dollar has been added to the job of the monetary and fiscal authorities. This new duty is inherent in the responsibilities of any central bank. New techniques have been adopted to achieve this objective. The abandonment of the "bills only" policy allows the Reserve authorities to trade in any part of the maturity spectrum. Thus by selling short term securities and buying longer term ones, short term rates can be maintained while at the same time the availability of credit to commercial banks can be increased. The permission to allow commercial banks to pay a higher rate on time deposits allows the commercial bank to compete for foreign deposits. Debt management policies of the Treasury concentrating new and refunding issues in the shorter term sector have been of great assistance.

The Treasury and the Federal Reserve Banks have entered the foreign exchange markets to correct small fluctuations in the dollar exchange rate. The Federal Reserve Bank of New York, in particular, is building up a stockpile of foreign exchange to be used to protect the dollar in foreign markets. This technique was used very effectively for about 100 years by the Bank of England in stabilizing the value of the pound.

However, these new techniques will not correct the chronic balance of payments deficit of the past few years. This deficit is responsible for the large increase in foreign short term balances in this country and for the outflow of gold. As the reserve currency of the world, the integrity of the dollar must be protected. As long as this balance of payments condition exists, international as well as domestic considerations must be considered in the formulation of any monetary policy.

Liquidity Problem in the Balance of Payments

The balance of payments difficulty is one of liquidity, not of solvency. At the end of 1960, total United States assets and investments abroad totaled \$71.4 billion, of which \$7.8 billion were short term. At the same time, foreign assets and investments in the United States were \$44.7 billion, of which \$26.2 billion were short term. Thus we have a net foreign asset and investment balance of \$26.7 billion but a net short term deficit of \$18.4 billion. This is very similar to the position of a commercial bank—wherein the bank has more than enough assets to meet its total claims but has a short position sufficient to cover only a fraction of its liabilities. Obviously confidence must be maintained in the United States—as in the commercial bank—to keep these assets here.

Different Recovery Pattern

Domestically, this recovery is far different than previous ones. Wholesale prices today are quite stable. Full recovery, as measured by the unemployment statistics, has not been achieved. The demand for bank credit is moderate in character. The liquidity of corporations is quite high and seems to be satisfying a large part of their demands for funds. This, plus the criticism of their actions in the 1959 recovery, seems to

explain the reluctance of the Reserve authorities to alter their policy of credit ease. It is doubtful, under these conditions, whether rates of all types will move drastically in either direction.

If an economic let-down should occur next year, it is highly possible that longer term rates will decline slightly as the demand for money decreases. Shorter term rates will be buoyed by because of the balance of payments difficulties.

Commercial bank rates are under pressure from both sides. Increasing costs, including the higher rates paid on time deposits, argue for an increase in the prime rate. A lackluster business recovery argues for no increase in rates. The odds seem to indicate that commercial bank rates will not be changed for a while regardless of the business situation, as now foreseen.

The economic problems of today may seem new. Most of these problems, however, have appeared on the American scene in former days. The aggressive foreign competition and the balance of payment difficulties are reminiscent of the period 1923-1929. The threat of government intervention and the lack of any dynamic stimulus in the business picture were predominant characteristics of the 1930s. However, it must be admitted that we are not in the 1920s or the 1930s and that our knowledge of economic life today is more sophisticated than it was then. Further, our economy has grown and changed immensely since those periods.

These problems are difficult, and their solution will necessitate changes in our economy. Only time will tell how successful we are in meeting the challenge that these problems present.

*An address by Dr. Farhi before the Rochester and Central N. Y. Chapter of Robert Morris Association's Spring Conference at Alexandria Bay, N. Y.

Straus, Blosser To Admit

KANSAS CITY, Mo.—Straus, Blosser & McDowell, members of the New York Stock Exchange, on Aug. 1 will admit F. Ferguson Bell to partnership. Mr. Bell is manager of the firm's Kansas City office, 127 West 10th Street.

Bernstein Joins Street & Company

Jack J. Bernstein has become associated with Street & Company, Inc., 30 Broad Street, New York City, as Manager of the Trading Department. He was formerly with American Securities Corp. and Alkow & Co., Inc.

N. C. Roberts Adds

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Allan V. Abbott, Jr. has been added to the staff of N. C. Roberts & Co., Inc., 210 West Seventh Street. He was formerly with Kidder, Peabody & Co. and Walston & Co.

Courts Florida Branch

JACKSONVILLE, Fla.—Courts & Co. has opened a branch office in the Florida National Bank Building, with McKee Nunnally as partner in charge.

Oppenheimer Office

FLEISCHMANN'S, N. Y.—Oppenheimer & Co. has opened a branch in the Takanase Hotel and Country Club under the direction of Mrs. Edith Narzisenfeld.

Julius Donner Opens

Julius Donner is conducting a securities business from offices at 666 Fifth Avenue, New York City.

Growing Demand for Gold And Gold Mining Shares

By Paul Einzig

Dr. Einzig discusses the growing demand for gold itself, based on revived fears of dollar devaluation, and the reason for the relative lack of interest in South African gold mining shares. To check the private hoarding of gold, Dr. Einzig remarks, would require (a) making effective our ban on American ownership of gold abroad, and (b) the cooperation of many governments. As for the first point, exchange control covering U.S. residents' capital-outflow is said to be required and, as for the second point, doubt is expressed as to South Africa's willingness to cooperate in view of her vested interest in gold hoarding and of our none-too-happy relations with that country. Dr. Einzig, also, briefly refers to what would be the "right solution" to our gold problem.

LONDON, England—Another gold rush seems to be rearing its ugly head. The London market price is once more appreciably above the official American price, even if the premium is merely an infinitesimal fraction of what it was during the hectic days of 1960. Judging by the extent of the one-way turnover, the gold pool of the Central Banks must be nearing exhaustion, and, unless arrangements can be made for replenishing it, the United States authorities will have to resume supplying the metal to satisfy demand in the London market. Gold hoarding has increased and, by the look of things, is likely to continue to increase.

The main reason for this is the revival of fears of an increase in the official American price of gold. The number of those who have come round to favoring such a move is on the increase. Until recently, the atmosphere in the United States and in world economy was distinctly inflationary, and any increase in the dollar price of gold, accompanied by an all-round devaluation of all currencies, would have merely accentuated the unwanted inflationary trend. But there is now a widespread feeling that the United States and the rest of the free world has now entered a phase of stagnation, in which case, it is argued, devaluation would be a shot-in-the-arm that would provide a welcome stimulus to business.

Dollar-Devaluation Pressure

There is no doubt that, should business conditions continue to leave much to be desired, pressure in favor of the solution of a devaluation would increase. It is, of course, anybody's guess whether the Kennedy Administration would eventually yield to the pressure, and it is even more uncertain how long it would take to come to that decision. But the increased possibility is sufficient to induce many people to hedge against it.

Hedging does not assume the form of acquiring balances in "safe" currencies, for there is no means of knowing if, and to what extent, other countries would

devalue their currencies simultaneously with a devaluation of the dollar. Nor does hedging assume the form of a rush into equities, for the recent ups and downs of equities in Wall Street and other Stock Exchanges have undermined the faith of the investor in their non-stop rise. Gold mining shares are in demand, but the snag is that most of the mines are in South Africa and the political future of the remaining European-controlled countries on the African continent is considered very doubtful. In the circumstances it is hardly surprising that an increasing number of people are reverting to gold hoarding.

Should the movement gather momentum it would entail heavy gold losses which the United States and other countries could ill afford. The alternative would be to allow the gold price to rise as in 1960. But, since the forecast of a 100% increase of the American official price has gained widespread popularity, the rise in the market price would have to be very steep before it would discourage hoarding demand. And any such steep rise would mean a dollar scare of considerable magnitude.

In the circumstances the solution would be to try to check private hoarding of gold, instead of encouraging it by meeting its requirements. There is reason to believe that the American ban on private holdings of gold abroad is far from being a 100% effective. The only way of reinforcing it would be the adoption of exchange control to prevent the outflow of capital on account of residents in the United States. This differentiation between residents and non-residents in the operation of exchange control in Britain and many other countries, though far from watertight, has been working reasonably well. Its adoption in the United States would reduce the extent to which American residents would get out of dollars in order to get into gold.

South Africa Prefers Hoarding Continue

The co-operation of many governments would have to be enlisted in order to check the demand for gold. Most of them would be willing to play, but it is difficult to visualize whole-hearted co-operation on the part of the South African Government. It is to the interest of South Africa that hoarding demand should continue and that it should lead to a devaluation of the dollar. Nor has the attitude of the United States towards South Africa been in recent years such as to give rise to a desire of co-operation on the part of the South African Government.

Of course, the right solution would be to adopt measures that would restore confidence in the dollar, without thereby aggravating the economic situation to an extent that would necessitate extensive deflationary measures. The

success of such a policy depends entirely on the willingness of the trade unions to exercise restraint. Unless they can be won over to a policy of voluntary co-operation, it would be necessary to adopt deflationary measures that would greatly aggravate unemployment. If only the trade unions could be convinced that the government is quite determined to resort to such measures if compelled to do so,

they might change their attitude sufficiently to obviate the necessity of implementing the threat.

Forms Fin. Estate Planning

PITTSBURGH, Pa.—Philip F. Roy has formed Financial Estate Planning with offices at 318 Marose Drive, to engage in a securities business. Mr. Roy was previously with Bacon, Johnson & Associates.

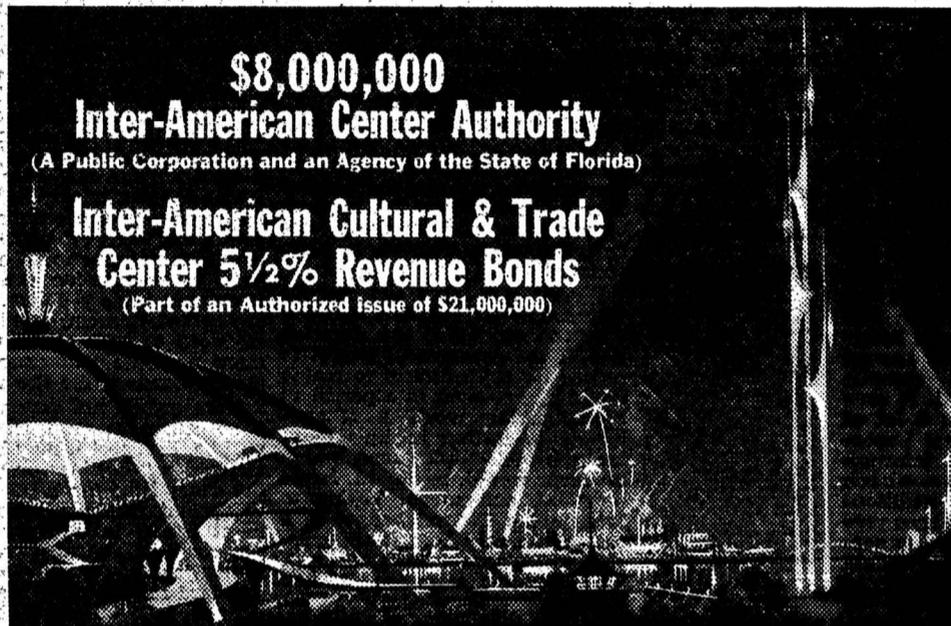
Now Corporation

Weinberg, Ost & Co., Inc. is continuing the investment business of Weinberg, Ost & Co., 9 Maiden Lane, New York City.

Hubinger-Philipson Br.

NORWICH, N. Y.—Thomas F. Yacano is Manager of the newly opened office of Hubinger-Philipson, Inc. at 37 South Broad Street.

All these bonds having been sold, this announcement appears as a matter of record.



Interest Exempt, in the opinion of Bond Counsel for the Agency, under existing Laws from Federal Income Taxes, and exempt from the Florida Intangible Tax.

Dated June 1, 1962

Due June 1, 1982

The definitive Bonds are issuable as coupon bonds, registerable as to principal in the denomination of \$1,000 each, and as registered Bonds without coupons in denominations of \$1,000 or any multiple thereof, and interchangeable as provided in the Trust Indenture. Interest payable December 1, 1962, and semi-annually thereafter (June 1 and December 1). Principal of coupon Bonds (unless registered) and the interest thereon payable at the principal office of the Trustee, The Florida National Bank and Trust Company at Miami, Miami, Florida, or at the Chemical Bank New York Trust Company, New York, New York, at the option of the holder. Principal of Registered Bonds without coupons and of coupon bonds registered as to principal alone are payable at the Florida National Bank and Trust Company at Miami, Miami, Florida. Interest on registered Bonds will be remitted by mail to the registered owner thereof by the Trustee.

SECURITY

The Bonds are to be issued pursuant to a Bond Resolution of the Authority and secured under an Indenture between the Authority and The Florida National Bank and Trust Company at Miami, Miami, Florida, as Trustee, and will be payable from the revenues and other funds of the Authority available therefor, as provided herein and more fully described in the Trust Indenture. These Bonds and the interest thereon are additionally secured by a first mortgage on land and certain improvements thereon, as more fully described and provided in the Trust Indenture. Neither the faith and credit nor the taxing power of the State of Florida or of any municipality or county in the State is pledged to the payment of the principal of or interest on the Bonds. No Bondholder has any right to compel any exercise of the taxing power on the part of the Authority or of any municipality or county or of any other agency possessing the taxing power to pay the Bonds or the interest thereon. The Bonds are callable as described herein and additional bonds may be issued as described herein.

These Bonds were validated by a decree of the Circuit Court of Dade County, Florida, rendered on April 20, 1962, and affirmed by the Supreme Court of Florida on June 20, 1962.

Price: 100

(plus accrued interest)

The Bonds at the time outstanding may be redeemed prior to their maturity, in whole, on any date not earlier than June 1, 1967, at the option of the Authority, from any moneys that may be made available for such purpose, other than by operation of the Bond Redemption Fund, at the principal amount of the Bonds to be redeemed, together with the interest accrued thereon to the date fixed for redemption, plus a premium of 10% of such principal amount if redeemed on or prior to June 1, 1968, and declining thereafter.

These Bonds are offered when, as and if issued and received by us and subject to the unqualified legal opinion of Messrs. Caldwell, Trimble & Mitchell, New York, New York, Bond Counsel to the Agency.

Goodbody & Co.

Allen & Company

McDonald & Company

Paine, Webber, Jackson & Curtis

Cruttenden, Podesta & Miller

Tripp & Co., Inc.

A. C. Allyn & Co.

Taylor and Company

Herbert J. Sims & Co., Inc.

Boettcher and Company

Luce, Thompson & Crowe, Inc.

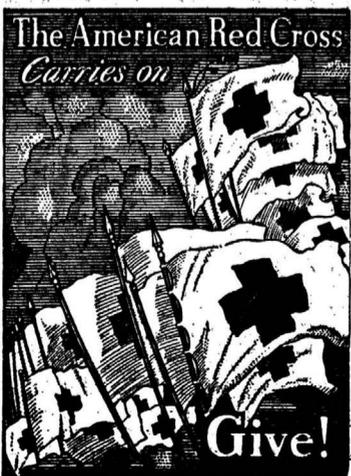
Stroud & Company

Herman Bensdorf & Company

Mullaney, Wells & Company

The Phelps Co.

July 12, 1962.



When Should the Federal Budget Be Balanced?

By David E. Bell,* Director of the Bureau of the Budget, Washington, D. C.

Country's budget chief refers to a general acceptance of budgetary deficits in times of recession; cautions against withdrawing a deficit prematurely during a recovery; and recommends serious consideration be given to the CED's pioneering concept of a policy-budget standard which he describes. After explaining the three different budget approaches now employed, Dr. Bell says the budget-type selected should be based on the set of figures needed in dealing with a policy question. The national income approach is preferred in measuring the fiscal impact upon the economy, and the administrative budget in relationship to management and control of individual Federal programs. The President's aide is not certain we should adopt a current and capital form of accounts but is certain we should be mindful of the amounts involved for purposes of analysis.

It has been part of my responsibility for the past year to try to make plain the facts about the Federal budget, and about the important issues of Federal fiscal policy. The Federal budget is large and complicated. It contains a lot of very important information—which has traditionally been presented, or perhaps I should say buried, in a book of about the same size, weight, and inherent charm as the Manhattan telephone directory.



David E. Bell

We have tried to make some major changes in this situation. The Federal Budget was presented in January of this year in a volume not the size of a telephone book, but of a novel. And the material, while hardly presented in a style to satisfy E. B. White, was substantially revised and simplified in comparison to previous practice. We have a long way to go in presenting the Budget with clarity, precision, and impact. But we're trying. We believe strongly in the objective of making clearly available the facts about the public finances and about the issues of public policy. And we earnestly seek advice and suggestions—for further improvements—especially from professionals like this group in the art of presenting complicated facts accurately and succinctly.

The change in the budget format is, I think, symbolic of a considerable change in the state of public education about the Federal Budget and about fiscal policy. Considerable progress is being made. But a good deal of further education is needed, in my opinion, if the general level of understanding is to be raised to a satisfactory level.

I should like to invite attention to two major areas in which it seems to me there is a good deal of unfinished business for all of us who have some responsibility for increasing the degree of public understanding of budget matters.

I

Budget Balancing as a Standard

The first of these is the question of the proper standards for Federal fiscal policy.

Thirty years ago there was a clear consensus that the only proper standard was one of balancing the budget each year. Today there is an equally clear consensus that balancing the budget each year is not the proper standard to follow. Arthur Burns and Walter Heller are in complete agreement on that. They might well differ on the precise timing and magnitude of the deficit or surplus they would ad-

vocate in a particular year. But they would agree that deficits, not balances, are appropriate in years of recession, and surpluses, not balances, are appropriate in years of inflation.

I need not labor the reasons why the newer standard is better than the older. On the negative side, if the government sought to reduce its expenditures to match declining revenues in a period of recession, this would itself contribute to further contraction in incomes and employment, which in turn would result in lower revenues, and so on. Trying to balance the Federal budget in a recession would be a futile exercise, which would hurt, not help, the economic situation of the country.

Furthermore, there are positive benefits from a Federal deficit in a recession. Such a deficit can assist in expanding purchasing power, income, and employment, without leading to inflation. Witness the 12 billion dollar deficit in fiscal 1959, or the 7 billion dollar deficit in the present fiscal year, neither of which has been accompanied by any significant inflationary pressure.

All of this, I think, while not by any means universally agreed to, is clearly accepted by the great majority of informed observers.

But while this new consensus represents progress, in my opinion we have still far to go to answer our need for adequate fiscal policy standards.

Cyclical Budget Balancing

The usual present-day statement of the accepted standard is to "balance the budget over the cycle"—that is, to offset budget deficits in years of recession with surpluses in years of prosperity. But this formulation assumes that all business cycles follow the same pattern—which is far from the case. This standard is clearly inadequate to deal with a situation such as we have been experiencing for the last five years—a situation in which we have had years of recession clearly enough, but no years of full prosperity—no years, that is, of full employment and full capacity use of our industrial plant.

In such circumstances, there is plainly a serious question what target to choose for budget policy during periods of economic recovery. Even more serious, there is a real danger that the attempt to achieve a budget balance too soon may itself contribute to bringing the recovery to a halt below full employment levels.

This is apparently exactly what happened in 1959 and 1960. Here again Arthur Burns and Walter Heller agree. The recovery from the 1957-58 recession sputtered and came to a stop before full employment and full capacity were reached. The recovery "topped out" too soon. And the decision to balance the 1960 budget, in retrospect, seems clearly to have been one of the factors that led to the abortive recovery and the

subsequent downturn in the spring of 1960.

These thoughts are, of course, very much in our minds today as we watch the economic indicators to see what they show about the likely course of the economic recovery that has been so strongly underway for the past year. Economic policy today is clearly more favorable for continued economic recovery and expansion than was the case in 1959-60. Federal expenditures are rising between fiscal years 1962 and 1963, whereas they fell between 1959 and 1960. Monetary policy has remained easy rather than being prematurely tightened. These and other differences indicate that we may well have a different outcome this time.

Nevertheless, we cannot be sure by any means that the economy will continue to move forward as vigorously as is needed to continue on up to full employment. If developments later in the year indicated that the economy were about to "top out" short of full employment, we should of course have to re-examine the current fiscal and budget policy. And in any event it seems evident that we need to seek consensus on a more accurate and useful fiscal policy standard for the future.

I am myself not sure what the next consensus on this question will be. I suspect it may be something along the lines proposed by the Committee for Economic Development in their policy statement issued in January of this year, called *Monetary and Fiscal Policy for High Employment*. The standard suggested by the CED is expressed in terms of the "high employment surplus"—that is, the amount of surplus which the budget would show in a year of high employment. The CED suggests that we should plan our Federal budget to achieve a target "high employment surplus". If the target surplus is set too high, the CED suggests that the budget itself might contribute to preventing full employment from being reached. If it is set too low, the danger would be on the inflationary side. The proper size of the high employment surplus would depend on the strength of private demand, the availability of other policy instruments such as monetary policy, and other circumstances which change from time to time.

This idea—of making budget decisions not in terms of the actual revenue outlook for the next year, but instead in terms of what the budget would look like in a year of full employment—may at first glance seem odd and unusual. I am not sure we shall ever adopt it. But it is clearly an attempt to face the real problem that confronts us, and in some respects it is the most sophisticated and precise standard that has yet been suggested for Federal fiscal policy. I commend the CED policy statement to everyone's attention, and urge them to consider carefully the policy issue which it raises.

II

Method of Presenting the Budget

The second issue to which I would like to direct attention is the method by which we present our Federal budgetary accounts. A discussion of methods and concepts of Federal accounting at first blush would seem to be an extraordinarily dull subject. However, as I shall indicate in a moment, there are wrapped up with current accounting discussions very important questions of budget and fiscal policy.

In this field of Federal budgetary accounting, considerable progress has been made over the last 15 or 20 years. More and more people have become aware that our conventional or administrative budget figures have serious limitations as guides to policy. The administrative budget—the set of figures normally discussed in Congress and in the press—is

FROM WASHINGTON ... Ahead of the News

BY CARLISLE BARGERON

Congressman Charles S. Gubser, Republican of California, is trying valiantly to get Hollister, County Seat of San Benito County, Calif., "undepressed." But like a man whose hand was stuck in a piece of flypaper, he has only succeeded in getting the other hand stuck, too.

Hollister is the center of a great agricultural community, producing large quantities of fresh fruit and vegetables which keep two canneries humming during the summer months to produce employment for hundreds of housewives on a seasonal basis. These few months of work entitle them to unemployment insurance benefits after the canneries close for the season.

Hollister is located 95 miles south of San Francisco, and 43 miles east of Monterey. The San Benito County Chamber of Commerce reports that the county's 1961 population was 15,396, of which 6,071 lived in Hollister.

The county produces diversified crops and also has deposits of oil, coal and various minerals. Approximately 25% of the land under cultivation is irrigated.

The New Frontier's area development programs are supposed to be for areas whose resources are exhausted. The Chamber of Commerce says the county has no bonded debt.

The area development law clearly states that seasonal employment shall not be considered as the basis for determining the high level of "persistent unemployment" necessary as designation for a depressed area. But the Labor Department, says Congressman Gubser, insists upon using unemployment insurance claims as its index for determining the percentage of unemployment. On this basis, Hollister had an average unemployment rate of 14.8% during 1961, as compared with the national average of 5.6%. So the

Labor Department has informed the Area Development Agency that Hollister is an area of "chronic and persistent unemployment" and is entitled to the free economic treatment at the hands of what Mr. Gubser calls the Federal witch doctors.

Mr. Gubser says:

"The irony of the situation is that Hollister won't get financial aid unless it cooperates and comes to the government with hands out holding a prospectus. The city has already had enough of being distressed and isn't about to cooperate."

The county board of supervisors and the city councils of Hollister and San Juan Batista have all passed resolutions asking Secretary of Labor Goldberg to "undistress" them. They point out that the "unemployed" are female canner workers who cannot do the masculine work of planting and harvesting the crops. The seasonal work they do in the summer is so much gravy.

Braceros are needed for planting and harvesting the crop, and they are denied a distressed area unless the Secretary grants special permission. If this permission is delayed or denied, the crops may not be harvested to provide the cannery employment this summer for the winter's unemployed. Hollister, with its record high retail sales and bank deposits, according to Mr. Gubser, will soon be truly depressed if the Labor Department doesn't re-evaluate its statistics.

Mr. Gubser adds:

"Thus far, Secretary Goldberg has acted like the doctor who couldn't afford to cure his patient because he needed the money. He seems to be saying to the proud people of Hollister, who didn't ask for anything in the first place, 'lie down and stay depressed, damn you!'"

badly incomplete, misleading in timing, and a confusing conglomeration of different kinds of activities.

It is incomplete principally because it omits trust funds whose expenditures are now running in the neighborhood of \$27 billion a year. If these are added in, and after allowing for double counting between the budget and trust funds, the total cash payments to the public by the Federal Government for fiscal 1963 are expected to be about \$115 billion—not the \$93 billion shown in the administrative budget.

The administrative budget is misleading in timing because it is based principally on cash receipts and payments rather than on accrued receipts and payments. No modern corporation would regard its accounts as correctly stated if they were limited to cash income and outgo, but this has been the practice with respect to the Federal budget. When we put budget figures on an accrual basis as best we can (not all figures are available in accrual terms), we normally find quite a different picture of the timing, particularly of corporation tax receipts, which accrue substantially earlier than they are paid, and accordingly quite a different picture of the timing and magnitude of the Federal surplus or deficit. For example, corporation tax accruals in the current fiscal year are expected to be some three billion dollars higher than corporation tax receipts.

Finally, the administrative budget may be misleading because it does not distinguish among different kinds of economic actions which it lumps together. For illustration, the administrative budget expenditures traditionally have lumped together capital and current outlays without distinction—a practice which would be looked on with horror by any accountant in private business.

In recent years these defects have become better recognized and more widely known and a number of efforts have been made to present figures which are better adapted to various purposes. One advance was made during and after World War II, when the so-called cash consolidated statement was developed to include both trust and budget accounts and reveal fully the cash payments to and receipts from the public by the Federal Government. This was a substantial step forward, and this statement is still very useful for its purpose.

National Income Budget

A second and much more recent—and less widely known—set of figures has been developed largely by the Department of Commerce in an effort to relate Federal budget accounts to the national income and product accounts. The Federal sector of the national income and product accounts is today the best single set of figures we have for measuring the economic impact of

Federal receipts and expenditures. The income and product account figures are on an accrual basis. They also exclude transactions which simply represent transfers of financial assets—such as direct loans by Government agencies. In extending such loans, the Government is acting as a financial intermediary similar to private banks. These loans exert their stimulating effect on the economy by influencing liquidity and the availability of credits and should be considered among the monetary and credit policies rather than the fiscal actions of the Federal Government.

The reason that economists pay more attention to the income and product account figures than to the administrative budget figures can be illustrated by the figures for fiscal years 1962 and 1963. In the fiscal year 1962 the administrative budget is expected to show a \$7 billion deficit, which seems to indicate that the Federal Government is contributing a substantial economic stimulus to the country. The income and product account figures, however, show only a half billion dollar deficit—indicating that the Federal Government's stimulus to the economy this year is actually quite small. Plainly, one's assessment of the correct fiscal policy to be followed by the Government will be very sharply dependent on which set of accounts one regards as most useful for analyzing economic effects.

The comparative figures for the fiscal year 1963, which starts the first of July, are equally revealing. The administrative budget, as the President presented it in January, showed a half billion dollar surplus. Whether that surplus is realized will of course, depend on actions by the Congress which are still in process, and on the course of the economy during the remainder of the year. Nevertheless, on the same assumptions that were made in submitting the January budget, the income and product account figures showed not a half billion dollar surplus, but a \$4½ billion surplus.

In commenting on the President's budget in testimony before the Joint Economic Committee in February, the CED, represented by Theodore Yntema, financial vice-president of the Ford Motor Co., suggested that the high employment surplus, on an income and product account basis, which was implied by the budget projections, seemed to them to be rather high. In terms of the CED policy statement I described earlier, this would raise the question whether the President's budget was not too conservative for the economic circumstances anticipated, and whether the level of surplus proposed, as revealed by the income and product accounts, was not so high as to risk contributing to a slowdown in the economic recovery.

These are plainly serious and weighty questions. They illustrate the degree to which what on the surface seem to be questions of accounting, relate to fundamental and important questions of policy.

It is not my purpose to argue the merits of the CED position. It is only my purpose to indicate the extent to which we all continue to have a responsibility for extending the education of those who should interest themselves in Federal budget policy questions. I have been very interested and pleased to see in recent weeks a number of excellent stories in newspapers and magazines presenting the facts about these different types of Federal budget accounting and their significance. I believe they represent substantial progress in improving public understanding. I urge you all to continue to clarify these matters for an ever-wider audience.

Before leaving this subject, may I add one point to be sure I have not created any misunderstanding. It is my present view that cur-

problem is not to shift from one set of accounts to another set of accounts. Instead, I believe we need to learn to use several different sets of figures—each of which is useful from a different standpoint or for a different purpose. The important thing for us to learn is to use the right set of figures when we are dealing with each set of policy questions.

Thus, I think that there is no doubt at all that in discussing the economic impact of fiscal policy we should move toward principal use of the income and product account figures. This is not at all inconsistent, however, with the

view that for other purposes, such as the management and control of individual Federal programs, the figures in the administrative budget will continue to be the most important figures for us to use.

Current and Capital Accounts

Similarly, I am not at all sure that we want to emulate the European countries and adopt some form of split budget with current accounts "above the line" and some form of capital accounts "below the line." On the other hand, it is perfectly clear that for certain purposes of analysis it is

extremely important for us to know clearly how much of our Federal budget does represent capital expenditure in contrast to current outlay.

What I am suggesting, therefore, is extending the range of our ability to use budget figures and abandoning the notion that we could find one single set of figures which would solve all our problems for us.

III

I have indicated two fields—the field of fiscal policy objectives and the field of Federal budget accounting—in which I think that while considerable progress has

been made, we have much work yet to do. I am sure that any of you could add other illustrations of the same theme.

Let me in closing repeat that we are eager to have suggestions for ways in which we can serve better this most important common purpose.

*An address by Dr. Bell before the 5th annual Loeb Awards Presentation Luncheon, New York City.

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CONDENSED STATEMENT OF CONDITION

JUNE 30, 1962

ASSETS	AS OF JUNE 30th		
	1962	1961	1960
Cash on Hand & Due from Banks	\$119,630,979.20	\$107,247,394.22	\$ 54,602,566.61
U. S. Government Securities	113,386,849.25	118,558,097.24	101,120,059.21
Municipal Bonds & Other Securities....	31,539,290.60	24,121,786.86	20,480,881.89
Loans Guaranteed or Insured by U. S. Government or Agencies	63,998,306.77	67,097,930.79	74,074,669.68
Other Loans & Discounts	340,916,659.32	293,606,867.32	199,332,292.49
Banking Houses	10,914,190.68	9,826,652.82	8,276,167.26
Furniture & Fixtures	3,097,606.81	2,993,118.88	2,069,389.10
Customers Liability on Acceptances....	20,878,328.10	8,760,827.53	150,748.43
Other Assets	3,114,554.24	2,818,527.40	1,698,694.55
TOTAL	\$707,476,764.97	\$635,031,203.06	\$461,805,469.22
LIABILITIES			
Capital	\$ 14,706,095.00	\$ 14,204,675.00	\$ 10,203,640.00
Surplus	9,343,905.00	9,073,845.00	7,346,430.00
Undivided Profits	7,290,663.00	7,651,038.78	3,491,145.60
Capital Debentures	None	250,000.00	None
Reserve for Possible Loan Losses	23,585,037.80	19,287,616.48	13,387,828.56
Total Capital Funds & Indicated Reserves	54,925,700.80	50,467,175.26	34,429,044.16
Reserve for Taxes, Interest, etc.	8,701,842.09	8,891,257.55	6,693,795.07
Acceptances Outstanding	21,106,380.31	8,865,887.80	150,748.43
Other Liabilities	68,225.44	7,297,262.99	52,743.21
Deposits	622,674,616.33	559,509,619.46	420,479,138.35
TOTAL	\$707,476,764.97	\$635,031,203.06	\$461,805,469.22

For a copy of our mid-year statement write to: Public Relations Department, The Meadow Brook National Bank, 60 Hempstead Avenue, West Hempstead, New York.



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Natural Gas Price Outlook

By Bruce C. Netschert,* Director, National Economic Research Associates, Inc., New York City

The period of a marked rise in the price of natural gas is just about at an end. Developing supply, demand and public policy pressures tending to restrain further price increases will not, however, adversely affect either the producing or pipeline industries. These pressures, in brief, are: greater drilling costs have been and are being offset by technology; we are not "running out" of natural gas; supply has largely caught up with demand; price rise has been so fast that it is now about equal on a Btu basis to coal and oil; technological competitive pace of integral trains and coal pipeline; and changed complexion of the F.P.C. Like a regulated utility, natural gas is not powerless to mitigate cost-price squeeze and, therefore, there is no reason to dump natural gas stocks on the basis of the unfavorable facts bearing on the price of this fuel.

I would like to begin by emphasizing what I believe is one of the most significant characteristics of our time — the place of technology as a dynamic element within our economy. The pace of technological advance in space, in electronics, in chemistry, and other dramatic examples is well known. Less commonly appreciated is the fact that this advance also progresses in other, less glamorous industries—in fact, virtually across the board. This fact is of fundamental importance in considering the course of the future price of just about everything, including natural gas, as I shall try to make clear in the course of my remarks.



Dr. Bruce Netschert

I interpret the terms "pricing factors" to mean the determinants of price, and I distinguish three areas, or spheres in which such price determinants arise: in the area of natural gas supply, the area of natural gas demand, and the area of public policy. I would like to give a brief analysis of the nature of the price determinants in these three areas as they relate to the price of natural gas, and especially to the prospects for future prices of this energy commodity.

In the area of supply there is really only one long-run price determinant or factor, and that is the cost of producing gas. To say this, however, is to state no more than a truism. One must go to the next level, the determinants of cost, which are, in the last analysis, the real "pricing factors" in the supply area.

Fundamentally, there are only two such cost determinants. The first of these is what I term the "resource position." I use this term to refer to every aspect of gas resources that may have a bearing on gas costs. Thus, the cost of gas is determined by the absolute quantity of gas remaining in the ground, the location of this gas (that is, both geographically and in terms of depth beneath the surface) and the size of the individual gas occurrences.

Extent of Natural Gas Supply

It is apparent that, by and large, there will be an upward pressure on the cost of gas the smaller the quantity of gas remaining in the earth's crust beneath the area of the United States, the more geographically remote the occurrences are, the deeper they are, and the smaller they are individually.

Now, truly adequate knowledge on this score is an impossibility; it calls for knowledge of gas resources as yet undiscovered or even unsuspected. Nevertheless, one can make certain judgments covering these unknown aspects of our resource position based on the knowledge we do have of that position.

In the matter of the total quantity remaining in the ground, certain competent geologists have estimated the quantity of gas likely to exist in the earth's crust beneath the area of the United States, based on the relationships in producing provinces between the total volume of sediments and the quantities of hydrocarbons found in those sediments. On this basis estimates have been made of the total quantity of natural gas remaining to be found and producing in the United States which range from 1,200 to 1,500 trillion cubic feet.

This is a large and meaningless number unless there is some basis afforded for comparison. Our present proved reserves—that is, the quantity of gas definitely known to exist—total 268 trillion cubic feet. Thus, if the estimates of total resources are correct, in any way, roughly 1/5 of that total is known to exist; the remainder must be found. Compared to production, proved reserves are 20 times the current level, estimated total resources are some 85 to 100 times that level.

For further comparison, total "production" of natural gas to date in this country has been estimated at 285 trillion cubic feet, including wastage and loss. Thus, we have as a working inventory today roughly the same quantity of gas which has been discovered and produced to date. And we have, as an authoritative guess, something like five times the current working inventory left to be discovered. With due allowance for imperfections in the data, these figures constitute grounds for the reasonable conclusion that for the foreseeable future—meaning the next decade, or so—there is no reason to expect an upward pressure on the cost, hence the price, of natural gas because we are "running out" of natural gas.

Phenomenon of More Pure Gas With Deeper Drilling

What about the other aspects of the resource position? In recent years it has become increasingly apparent that as one goes deeper in the earth's crust, if any hydrocarbon accumulations are present at all, the likelihood that those accumulations will be gas increases. Gas, in other words, appears to be a phenomenon of depth. With increasing depth of drilling in all areas of the United States, it is becoming clear that the occurrence of natural gas by itself (that is, not in association with oil) is much more widespread than heretofore thought.

It is true that the bulk of our current proved reserves of natural gas are concentrated in the great arc of the Gulf Coast and in the Mid-continent region. Nevertheless, the areas in which non-associated gas is being found are constantly being extended, as witness the discoveries in the Four Corners area, in the Delaware-Val Verde basins, and the recent play in the Sacramento Valley of California.

The depth phenomenon to which I have just alluded also represents an extension of the natural gas habitat in the third

dimension. As the drill probes deeper, in other words, there is no evidence that gas becomes less abundant—that is, that the quantity of gas per cubic mile of sediment, in gas bearing sedimentary basins, decreases.

And as for the size of the individual gas occurrences, here, too, there is no evidence of a decrease. Gas occurrences in the "giant" category, with more than one trillion cubic feet of reserves, continue to be found as the drilling goes deeper and into new geographical areas.

But haven't I overlooked something? If it is necessary to go deeper to find the new gas supplies, doesn't this mean that costs are correspondingly greater? The answer is no. No absolute, unequivocal proof of this can be offered, because of the ambiguities in the available cost statistics (which I do not have the space to go into here), but when the available cost data are adjusted for the effects of inflation, and are reduced to a unit cubic foot basis rather than per well or per foot drilled, there is no evidence that the cost of natural gas has been rising in recent years significantly.

Drilling Costs Have Not Increased

How can this be? Clearly, it costs more to drill to 15,000 feet than, say 10,000 or 5,000 feet. This is inevitably true, however, only when one is comparing different depths at the same point in time. The reason that costs, ex inflation, have not advanced despite the increase in depth is because the average depth has been increasing relatively slowly, and has been offset by the second basic cost determinant — technology. Immense advances have been made in the postwar period in the art of drilling and of coaxing commercial gas production from formations that previously would have been considered non-productive. The industry now drills faster (which directly reduces labor costs), and through greater efficiency, uses fewer materials per foot of drilling. These and other technical advances mean that a cubic foot of gas found and produced from 10,000 feet today does not necessarily cost more, because of the depth, than a cubic foot found and produced from 5,000 feet before World War II.

Thus I conclude that on the supply side the basic resource position in natural gas has not contributed to an upward pressure on costs and the upward pressure that is inherent in greater depth has been and is being offset by technological improvements. There is, in other words, no cost push on the price of natural gas.

I do not need to remind you that this is contrary to some widely held opinions. I believe, however, that such opinions are in error because of a failure to appreciate first, the true magnitude and abundance of our natural gas resources, which proved reserve data only hint at, and second, the impact of our current technological revolution on costs in the petroleum industry. A preoccupation with the present tends to blind one to the technological accomplishments of the exploration and producing segment of the industry in the postwar period and the implications of those accomplishments for the more than short-term future.

Growth of Demand

Turning now to the demand side, the pricing factors are three in number. The first is demand growth. As we all learn in elementary economics, other things being equal, a rise in demand will tend to raise price. One of the great phenomena of the postwar period has been the growth in demand in the natural gas industry occasioned by the succession of new pipelines that came into the market for gas reserves in order to serve areas of the country pre-

viously unsupplied with natural gas. On top of this growth there also occurred the growth in demand occasioned by population growth and rise in income, as customers already served by pipelines increased their usage and new customers converted to gas use. The very large price rise that has occurred in natural gas in this period has, in fact, been a demand induced rise.

Now, however, the situation is becoming different. There is no longer a single large geographical area of the United States that is not supplied with natural gas. The future growth increment in natural gas demand, then, must come solely from population growth and rise in income. Obviously, this kind of growth can never attain the magnitude of the growth experienced when whole new market areas were being added to effective demand *en masse*.

Gas Price Rise

The second pricing factor on the demand side is what the economist terms "elasticity," or the response of the level of demand to changes in price. In the past 15 years the demand for natural gas has tended to be highly inelastic, as gas began the period highly underpriced relative to the competing fuels. Even as the price of gas rose, the consumer was still paying less than he would for other fuels.

Again, however, the situation is now changing. The price of gas has risen so much that in many sections of the country, especially for the industrial consumer, the price of gas is about equal, on a Btu basis, to that of coal and oil. To such a consumer, who counts his Btu's closely, a switch to a competing fuel is an attractive alternative, especially if he expects a still further increase in gas price. Even the residential consumer, who can not write off his investment in gas using equipment, is apt to take a harder look at a rising gas price when that price is already on a parity with the prices of competing fuels.

The situation is analogous to the experience in steel. When steel was so cheap that no other metal could possibly compete with it on a cost basis, the demand for it tended to be inelastic. But when the price of steel rose so that it began to approach that of other competing metals, steel began to feel the competition, because the demand for it became more elastic. As you know, in the first round of the recent wrestling match between two well-known chief executives, some of the bystanders remarked that they would turn to a substitute material. This was no idle threat, but 25 years ago it would have been.

This growing elasticity of demand is no mere theoretical or potential consideration. There are already signs in certain sections of the country that it will take little, if any, further increase in the price of gas to occasion significant shifts in the fuel used by large industrial consumers.

Intensified Interfuel Competition

The elasticity of demand is also heightened by the third pricing factor, which is technology as it is manifest on the demand side. I refer to such technological innovations as the trend toward the integral train and the coal pipeline, and the super-scale petroleum products line that is now being planned through the south. Such developments tend to cut the delivered cost of the competing fuels, and intensify the inter-fuel competition.

Thus on all fronts on the demand side of the picture, there are developing pressures which will tend to restrain further price increases in natural gas. I must admit that these pressures are weakest in the area of residential consumption, but note that such consumption accounts for only

one-quarter of total marketed production, and no one has yet figured out a way to run a large pipeline solely on the residential demand which it satisfies.

Role of Public Policy

And so I come to my third area, public policy. Here, of course, the role of the Federal Power Commission is dominant. Between 1954, when it was handed that role by the Supreme Court, and 1961, the Commission did little more than go through the motions of regulation while it waited for Congress to yank it off the stage. Although the price rise that occurred in that period was perhaps less than that which would have occurred had there been no Supreme Court mandate, the price rise that was experienced was certainly larger than what would have been allowed under conscientious regulation.

Yet again, the situation has now changed. In the past year the incumbent Commission has made it unequivocally clear that it accepts its regulatory role as a permanent one, and intends to carry out the responsibilities that role entails. If this is so, then one can expect that any further price increases will be very closely tied to a justification based on cost increases, which, as I have already shown, I believe to be unlikely in any appreciable degree.

The Commission's policy will also be felt in the matter of natural gas imports, which are also under its jurisdiction. Not only is there an increasing supply becoming available on both our northern and southern borders, but it can be expected that if the Commission considers it to be in the public interest to hold down natural gas prices, it will look with increasing favor on larger imports as a means of doing so.

Also important in the public policy sphere are the state regulatory commissions. To date, only a few of these commissions notably the New York, Pennsylvania, and California Public Utility Commissions, have been distinguished by their direct activity at the FPC level in protecting the interests of the consumer through holding down gas prices. With these prices as high as they are, however, one can expect Commissions everywhere to be more responsive to public attitudes, hence to increase the pressure on the utility directly under their jurisdiction to resist price increases in FPC hearings.

Conclusion

In summary, I conclude that the period of marked rise in the price of natural gas is just about at its end. On every score and from every direction, the pressures are all against further price rises. This does not mean—and I would like to emphasize this point—that either the natural gas producing industry or the pipeline industry will be adversely affected. In one sense, the producers will be in a cost price squeeze, but it will not be a squeeze whose effects they are powerless to mitigate. In this respect the industry is no different from a regulated utility. The area price policy now being adopted by the FPC is especially enlightened in this regard. With area prices established as ceilings, there is every incentive as well as every opportunity for the producer to maintain or even increase his profit margin through an enlightened and aggressive adoption of cost cutting tactics. In this, the producer has the benefit and advantage of our enormously dynamic technological advance in which, I again remind you, the petroleum industry is in the forefront.

Thus, I see no reason why the argument I have just presented should lead to a dumping of natural gas stocks.

*An address by Mr. Netschert before the New York Society of Security Analysts, New York City.

Pension Funds—Principal Buyer of Equity Offerings

By Paul L. Howell, Third Deputy Comptroller of City of New York

Mr. Howell reveals the significant extent to which pension funds absorbed common stocks in their portfolios. He compares their total purchases of old and new issues to the annual volume of new issues that went public. Credits their purchases with being a primary force behind the market rise in the past decade. The writer was a pension and financial consultant who recently was hired by the City of New York to improve the earning capacity and composition of its pension funds.

ture but it is certainly not prudent to capitalize the earnings of the hereafter.

*See: Paul L. Howell, "Common Stocks and Pension Fund Investing," *Harvard Business Review*, November, 1958.

E. W. Hippler Opens

DAVENPORT, Iowa—Eugene W. Hippler is conducting a securities business from offices in the First National Building under the firm name of Hippler & Company. He was formerly with Beyer-Rueffel & Co.

Form Ehli Co.

BILLINGS, Mont.—Ehli & Company is engaging in a securities business from offices at 2303 Virginia Lane. Richard H. Hughes is a principal of the firm.

Forms C. E. Parker Co.

FERGUSON, Mo.—Charles E. Parker is conducting a securities business from offices at 308 South Florissant under the firm name of C. E. Parker & Co.

McDonnell Branch

HONOLULU, Hawaii—McDonnell & Co., Incorporated has opened a branch office at 1441 Kapiolani Boulevard under the direction of Thomas Schoen.

A. G. Edwards Branch

TULSA, Okla.—A. G. Edwards & Sons has opened a branch office in the First National Building under the management of Dudley D. Morgan, Jr.

Continues Inv. Business

BOISE, Idaho—The investment business of LCS Mutual Fund Brokerage, 8618 Ustick Road, is being continued by Lorin C. Saunders.

Mont Sharpe Co. Formed

SUMMIT, N. J.—Mont T. Sharpe has formed Mont Sharpe Company with offices at 49 Fernwood Road to engage in a securities business. Mr. Sharpe was formerly with Donan & Co., Inc., and Moynahan & Company.

A. J. Kilpatrick & Co.

AUGUSTA, Ga.—A. J. Kilpatrick & Co. has been formed to continue the investment business of A. J. Kilpatrick, Jr., 138 Eighth Street.

Last year corporate pension funds made net purchases of equities which aggregated an amount equal to 61% of all common stock

ableness of price as related to earnings expectations. At some price any security is overvalued. It may be prudent to appraise liberally the earnings of the fu-

offered for cash" in the United States. To an increasing degree the stock market is becoming "institutionalized" as indicated by the relationship of the net acquisitions of equities to the amount of new common stock offered for cash. This relationship, for corporate pension funds alone, is set forth, for the past three years, as follows:



Paul L. Howell

relationship, for corporate pension funds alone, is set forth, for the past three years, as follows:

(Millions of Dollars)			
Year	Stock Offered for Cash	Net Com. Stock Bought by Pension Funds	%
1959	\$2,027	\$1,573	77
1960	1,664	1,700	102
1961	3,273	1,991	61

SOURCE: SEC, Statistical Bulletin, April, 1962, and Statistical Release No. 1828, March 22, 1962, and Federal Reserve Bulletin, Tables: New Securities Issues and Net Change in outstanding Corporate Securities.

The comparison of common stock cash offerings and net pension investment in equity securities sets forth a relationship, the significance of which is only beginning to be understood and appreciated in the financial markets. In evaluating pension fund equity purchases it should be remembered that most of the acquisitions are made in the open market and not directly from syndicates underwriting new issues. The increase in equity holdings from less than \$1 billion in 1951 to almost \$10 billion reflects two things: the growth of pension funds and the change in investment thinking by fund managers.

Primary Force Behind Market Rise

The pressure of pension equity purchases is one of the primary forces behind the increase in stock prices during the past decade. In 1949, Moody's average of 125 industrial stocks could be purchased for less than eight times earnings. Last December, 1961, the stocks making up this average sold at more than 21 times current earnings, a figure higher than that of the notorious year of 1929. When it is remembered that pension fund equity purchases are concentrated in seasoned Blue Chips, it can be seen that their impact on market prices in this segment of the market is tremendous.

With little prospect for the abatement of the pressure of this flow of pension funds into the equities market on account of "dollar cost averaging" it may well be that the economy is now in a "new era" of valuation standards for the purchase of common stock in relation to earnings and of greater market stability.

With respect to common stocks, I have, in the past, advocated substantial equity holdings for long-term pension funds but only when supported by thorough investigation and logical analysis.* A most important consideration is reason-



FIRST NATIONAL CITY BANK

STATEMENT OF CONDITION AS OF JUNE 30, 1962

ASSETS

Cash and Due from Banks	\$1,927,691,547
United States Government Obligations	1,725,774,852
State and Municipal Securities	731,014,150
Other Securities	109,534,200
Loans	4,385,067,112
Customers' Acceptance Liability	150,934,440
Federal Reserve Bank Stock	19,649,850
International Banking Corporation	7,000,000
Bank Premises, Furniture and Equipment	113,568,714
Other Assets	25,875,150
Total	\$9,196,110,015

LIABILITIES

Deposits	\$8,023,006,462
Liability on Acceptances	154,677,874
Foreign Funds Borrowed	1,966,600
Bills Payable	90,683,450
Items in Transit with Overseas Branches	8,618,088
Reserves:	
Unearned Income	43,682,103
Taxes and Accrued Expenses	72,534,648
Dividend	9,550,872
Shareholders' Equity:	
Capital (12,734,496 shares—\$20 par)	\$254,689,920
Surplus	400,304,000
Undivided Profits	136,395,998
Total	\$9,196,110,015

The Capital Funds of the Bank's Trust Affiliate, First National City Trust Company, total \$24,866,188. Figures of Overseas Branches are as of June 23. United States Government obligations and other assets carried at \$834,910,646 are pledged to secure public and trust deposits and for other purposes required or permitted by law.

Member Federal Deposit Insurance Corporation.

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Chairman, Executive Committee,
The National Cash
Register Company
George E. Baker, Jr.
Trustee, George F. Baker Trust
William M. Batten
President, J. C. Penney Company
John E. Bierwirth
Chairman of the Board,
National Distillers and
Chemical Corporation
Charles M. Brinckerhoff
President, The Anaconda Company
Percy Chubb, 2nd
President, Chubb & Son Inc.
William Rogers Coet
President, The Coe Foundation
Freeman J. Danielst
Perkins, Daniels,
McCormack & Collins
Hunt T. Dickinson
405 Lexington Avenue
Robert W. Dowling
President, City Investing Company

Samuel Sloan Duryee
Parker, Duryee,
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Shearman & Sterling
R. Gwin Follis
Chairman of the Board, Standard
Oil Company of California
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Oil Company (New Jersey)
Robert Winthrop
Robert Winthrop & Co.

*Director and Member Trust Advisory Board
†Member Trust Advisory Board

178 Branches, Offices and Affiliates Throughout the World • 91 in the New York Metropolitan Area • 87 in 30 Countries Overseas

Our 150th Anniversary Year

The State of TRADE and INDUSTRY

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

The pace of economic advance apparently slowed somewhat during May and June, according to the July *Monthly Review* of the Federal Reserve Bank of New York. Part of the slowdown can, however, be attributed to the continued decline in steel production that reflected the readjustment of steel inventories. This had a marked effect on industrial production, particularly in May, and probably also held down the gains in both manufacturing employment and personal income in that month. On the other hand, residential construction continued strong, in both May and June, as did automobile production until an interruption by a strike in mid-June at a Ford parts plant.

The continued, though slower, rise in business activity contrasted sharply with declines in the stock market that persisted through the first three weeks of June. Whether or not the recent behavior of the stock market will lead to cutbacks in spending plans by businesses and consumers is a major element of uncertainty in the current business situation. The scaling-down of stock values could lead to some downward revision in such plans unless it is offset by other developments that might encourage spending, such as the expected revision of depreciation schedules. However, a survey taken by McGraw-Hill after the stock market break suggests that business plans for capital outlays on balance remain unchanged. There are some reports that consumer buying, particularly of certain luxury

and big ticket items, was disappointing in June, but the evidence is still incomplete.

The May rise in industrial production to about 118% of the 1957 average was somewhat smaller than the three earlier monthly gains. Excluding the effects of the decline in steel production, however, the rise in output compared favorably with the average increase between January and April. Automobile output, seasonally adjusted, rose sharply although the 5% increase was considerably less than the expansion in April.

Exposes Myth as to Short-Term Capital Outflows

Short-term capital outflows, a major factor contributing to recent United States balance-of-payments deficits, arise to a large extent from the financing of international trade, comments the *Monthly Review* in a second article. To think of short-term capital merely as a stock of footloose money hopping from country to country is a popular misconception, though at times short-term capital transactions have become a vehicle of exchange rate speculation and have resulted in disruptive shifts of international reserves.

Bank loans, bankers acceptances, sight and term drafts and open book credits are the chief instruments through which short-term outflows of United States capital occur. The availability of such credits is as much of a factor in the competitiveness of American

exports as price or design of product.

In recent years other types of capital outflows from the United States have also achieved considerable importance. Operations to take advantage of higher interest rates in foreign countries and speculative outflows have occasionally reached fairly sizable amounts, adding to the task of international monetary management. In the face of these new problems, cooperation among central banks has been strengthened and the activities of international financial agencies have greatly increased. New resources have been made available to the International Monetary Fund and operations to stabilize the exchange markets have been expanded.

At the individual country level, the bank noted, efforts are being made to design policy measures which will more effectively serve both internal and external requirements. Among the latter requirements is the clear need to encourage active participation in the provision of international capital, including short-term funds, by more countries with ample monetary reserves and fundamentally strong currencies.

Bank Clearings Increase 12% Above 1961 Week

Bank clearings this week will show an increase compared with a year ago. Preliminary figures compiled by the *Chronicle*, based on telegraphic advices from the chief cities of the country indicate that for the week ended Saturday July 7, data from all cities of the United States from which it is possible to obtain weekly figures will be 12% above those for the corresponding week last year. Our preliminary totals stand at \$29,136,878,645 against \$26,023,277,408 for the same week in 1961. Our comparative summary for some of the principal money centers follows:

Week End	(000s omitted)		%
July 7—	1962	1961	
New York	\$16,762,181	\$14,257,381	+17.6
Chicago	1,270,544	1,259,672	+0.9
Philadelphia	1,087,000	1,035,000	+5.0
Boston	775,599	729,889	+6.3
Kansas City	482,273	433,803	+11.4

Steel Production Drops for the Week Ended July 7, 1962

According to data compiled by the American Iron and Steel Institute, production for the week ended July 7, 1962 was 1,239,000 tons (*66.5%), as against 1,501,000 tons (*80.6%), in the week ended June 30.

Production this year through June 30 amounted to 55,651,000 tons (*110.6%), or 18.8% above the period through July 7, 1961.

The Institute concludes with index of Ingot Production by Districts for week ended July 7, 1962, as follows:

*Index of Ingot Production for Week Ended July 7, 1962

North East Coast	68
Buffalo	48
Pittsburgh	55
Youngstown	32
Cleveland	87
Detroit	86
Chicago	77
Cincinnati	68
St. Louis	67
Southern	89
Western	78
Total	66.5

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

Spotcheck Indicates Less Than Seasonal Business Slowdown Expected

Many metalworking industry executives believe the summer business slowdown will be less than seasonal, *Steel* magazine reported.

The automotive and construction industries are looked on as major sources of strength, and the outlook for appliance makers is reasonably optimistic.

A majority of executives contacted in a *Steel* spotcheck last week believe the year's low point in new orders will be reached the first two weeks in July. They expect production to keep edging up slightly during the summer. Most look for new orders in the fourth quarter to equal or exceed those of last year's final period.

Washington holds the key to a significant business pickup in the view of many executives. They say a cut in personal income taxes will likely bring a surge of consumer buying. Any changes in depreciation schedules will also be important.

Steelmakers say the worst is over even though third quarter prospects are anything but bullish, the magazine reported.

Orders were at their low in April and May, in the weeks immediately following the steel labor settlement. They've been trending upward since, but third quarter ingot production will fall short of the second quarter's 23.5 million tons. At maximum, it will be about 21.5 million tons; at minimum, 20.3 million.

Production Planning Stressed

Ingot production was at its lowest last week when many mills suspended for the July holiday and output fell to about 1,336,000 ingot tons—the lowest level in 18 months. Production may not rebound this week to the pre-holiday level of 1.5 million tons, but it's sure to beat last week's output by a wide margin.

By cutting production sharply over the holiday, steelmakers reduced employment to a level consistent with market requirements.

They're making special efforts to avoid inefficiency. On July 1, the new labor contract went into effect—boosting employment costs by about 10 cents per manhour and obligating mills to provide a short workweek benefit. They must now guarantee any USW member reporting for work at least 32 hours pay per week.

They'll recall men only when backlogs accumulate. On slack days, they'll probably build in-

ventories so that they can meet spurts in demand without recalling workers.

The scrap market is up. *Steel's* price composite on No. 1 heavy melting grade rose 50 cents a gross ton to \$25.33, after holding four straight weeks at \$24.83.

Aluminum makers have a bright outlook, *Steel* said. Here's what can be expected this year now that five companies have signed a two year labor pact:

Primary production will set a new high of about 2.1 million tons.

U. S. shipments will hit a record 2.56 million to 2.7 million tons.

Prices won't rise. Worldwide competitive pressures are too great to support a price increase in the foreseeable future.

No Steel Upsurge Seen Until Late August

The rate of new orders for steel continues to pick up slowly on a week-to-week basis. But there are no signs of a real upsurge in steel production before late August or early September, *The Iron Age* reported.

Orders now on the books for August do not indicate any great strengthening of demand until late summer. Inventories of steel, generally, are still being worked off, and, as yet, there are no signs of aggressive steel buying from Detroit's automakers.

Nevertheless, *The Iron Age* reported a sprinkling of some hopeful signs for the steelmakers.

Some Hopeful Signs

A major mill says August is running ahead of July on the basis of advance orders, and expects shipments to begin climbing next month. Tinplate is running strong, with no letup indicated for August. Automotive orders are still sluggish, but up somewhat from last month. In the Midwest a mild upturn in hot-rolled bar orders, complicated by bar mill shutdowns, has resulted in complaints about bar delivery.

More significant, a greater number of spot orders by large steel users indicates that inventories, while still fairly high, are out of balance. If this is the case, a greater number of orders will be coming in as users balance out their steel stocks.

Orders for linepipe plate are a bright mark in the heavy steel picture.

But these hopeful indicators and individual mill statements can be balanced against nearly an equal number of bearish signs. For one, the smaller mills are having tough going. Flat-rolled products, specifically cold-rolled sheets, still lag behind the general market.

Sheet orders for one typical mill are holding at about 35% of the mill's rolling capacity. Cold-rolled sheets are moving more slowly than hot-rolled. Hot-rolled sheets have more use in general markets that are less subject to inventory building than those using cold-rolled sheet.

Cold-rolled sheets continue to suffer from the tremendous buildup of stocks by the automakers. It now appears automakers had nearly reached their goal of enough steel to finish out the 1962 model run had there been a steel strike earlier this year.

July 4 Holiday Reduced Auto Output

Independence Day observances by auto workers across the nation effected an 11% reduction in U. S. passenger car production last week, *Ward's Automotive Reports* said.

Output of 112,455 cars was scheduled, compared with 126,350 two weeks ago. In the Fourth of July week last year, 85,889 cars were produced.

The manufacturing pattern prevailing among other auto plants last week was four days, *Ward's*

Continued on page 46

DIVIDEND NOTICES

THE CHASE MANHATTAN BANK

DIVIDEND NOTICE

The Board of Directors of The Chase Manhattan Bank has declared a dividend of 65¢ per share on the capital stock of the Bank, payable August 15, 1962 to holders of record at the close of business July 13, 1962.

The transfer books will not be closed in connection with the payment of this dividend.

MORTIMER J. PALMER
Vice President and Secretary

THE FIRST REPUBLIC CORPORATION OF AMERICA

375 FIFTH AVENUE
NEW YORK 16, N.Y.
A PUBLICLY OWNED REAL ESTATE COMPANY

Notice of Distributions

The Board of Directors has declared Regular cash distributions of nine cents (9¢) per share on the Class A Stock each month for the next three months as follows:

14th Consecutive Monthly Distribution

9¢ per share to Shareholders of record at close of business, July 31, 1962, payable August 20, 1962.

15th Consecutive Monthly Distribution

9¢ per share to Shareholders of record at close of business, August 31, 1962, payable September 20, 1962.

16th Consecutive Monthly Distribution

9¢ per share to Shareholders of record at the close of business, September 28, 1962, payable on October 19, 1962.

GEORGE GEWANTER
Executive Vice-President

DIVIDEND NOTICES

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

New York, N. Y., June 28, 1962

The Board of Directors has this day declared a dividend of Thirty Cents (30c) per share, being Dividend No. 207, on the Common Capital Stock of this Company, payable September 1, 1962, to holders of said Common Capital Stock registered on the books of the Company at the close of business July 27, 1962.

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

TENNESSEE GAS TRANSMISSION COMPANY

HOUSTON, TEXAS



DIVIDEND NO. 60

The Board of Directors has declared a quarterly dividend of 28¢ per share on the Common Stock, payable September 11, 1962, to stockholders of record on August 17, 1962.

H. F. ABY, Secretary

The Market . . . And You

BY WALLACE STREETE

The stock market got its long awaited cut in the margin requirement, from 70 to 50%, and started a celebration over the surprise timing of it this week. The affair was a disappointment, however, since even before a single session could be completed, the good tone evaporated to a large degree.

With the market in a downturn right from the start of a new year, a trim had been expected for a long while. After the break of late May, when the Administration added its voice to the demand for a trim, it became somewhat assured that a readjustment was due. This was heightened by stories that the Federal Reserve Board was opposed to any cut at the time of the break that would assume the status of panic action.

With the market somewhat stabilized lately, there had been anticipatory buying on a couple of Thursdays which is the day the Board meets to take action. When it came after Monday's trading had ended, it was mostly the timing that was the big surprise.

Spotty Past Record

The record is spotty over the ability of any adjustment in the margin rate to influence the market. In recent years there have been margin increases and margin cuts that were largely ignored by the market.

For one thing, the list was in a more or less steady uphill climb from 1949 to 1961 without any major break to hint that the long bull market trend was over, so margin adjustments were only a temporary influence.

Bear Market Precedent

The last adjustments for a non-bull market period were those made in 1947 and 1949 after the wartime bull market had ended in 1946 when no margin trading was legal. The rule then being euphemistically called a 100% margin. The first adjustment was to a 75% margin, meaning securities could be bought on 25% credit. That was totally ineffective as a move to shake the list out of its rut.

Two years later the rate was trimmed to 50% but it was four months after the new rate was posted before the list started to move up in what eventually became the longest bull market in history. And at the time there was far more credence being given to the fact that no automatic, postwar depression had shown up. Such an expectation, false as it proved to be, was largely responsible for the 1946 break.

Contribution From the Short Interest

This week's cut was the first since then to be made in what is more or less officially a bear market period. And since there had been a large short interest built up in assorted securities, many of them the erstwhile glamour items of the market, the margin action was a definite spur to the short sellers to cover in a rush and add that much more buying to boost prices. Whether there will be any help for the market in the action remains to be seen since the initial celebration was thoroughly logical.

Status of New Offerings

The unknown in the market situation at this time is what sort of stock offerings will come into the arena on any sizable rebound. The decline of late May was so surprising that many holders toyed with the idea of selling were

caught off guard. And that same situation prevailed for many of the institutional investors whose faith in common stocks had seemed boundless. Obviously, there are no records around of how many decided to sit out the break and who will sell on any worthwhile improvement in prices.

If there has been any great amount of bargain-hunting since late May, it hasn't been overly apparent. The better-acting items on rebounds have been the long-time glamour issues, and not too many of these have dropped to where they are outstanding bargains in an era when a new, overall market reappraisal is indicated. It would seem to be a trading market so far.

Much of the advice relayed via market letters and financial services was still pessimistic and urging followers to lighten up on periods of general strength. Then there was the clan that insisted the recent lows would have to be tested before an important floor could be built up for a worthwhile advance.

This sort of counsel is hardly the sort that will reinstate a general feeling of confidence, and lead to persistent accumulation of securities which is, despite all the talk of gimmicks, the only thing that will lead to higher stock prices. Tax cuts could bolster the reported profits of business, but are no guarantee that individuals would step up their stock buying until the market, itself, shows a more favorable climate.

As far as individual securities are concerned, few were being described as ones that had established important bases that would warrant better action despite the trend of the general market. The favored ones in spots were those that, for one reason or another, had sat out much of the big bull market.

A Lagging Value Item

Carrier was one that was listed in the latter category, particularly since it has been hovering well above its 1962 low and far under any historic peaks. The better years for Carrier are in the past, its record earnings realized half a dozen years ago. Since then the newcomers and competitors in the air conditioning field have had the market play.

The comparison with Trane, one of the principal competitors in the air conditioning field, gives Carrier its undervalued status. Against Carrier's price tag in the mid-30's, well under its assets of \$55 a share, Trane with a book value in the 20's trades in the high 50's. The Carrier dividend of \$1.60 compares with Trane's 90-cent payout. As to the profit/earnings ratio, that in Trane is around 25, Carrier's around 11-times.

More important, although not yet apparent convincingly, is that Carrier seems to be making a turn in its efforts to reduce costs and integrate its manufacturing facilities. It posted a solid advance in profit to \$3.22 in fiscal 1962 against \$2.03 in 1960, stepped up its book value, improved working capital modestly and showed a comfortable improvement in sales.

Carrier has long stood out as a leader in the heavier air conditioning equipment during a period when the small, window units were all the rage. But the trend toward central units for homes and larger buildings is starting to be felt, and its shipments of units for such installations were up nearly a fourth. Hospital and apartment house installations are

also increasing and these are important users of the larger equipment.

There are other issues around where the attraction of the moment is their basic stability plus the fact that they are well below their highs. Bristol-Myers is off a third, Korvette also a third down. Zenith has retraced two-fifths of the path to its high, Magnavox declining almost as much.

Controversive IBM

IBM continued as the center of controversy. The growth aspects of this operation are familiar and solid. But the question of true worth gets confusing. It has dropped more than 40% from its high and has shown in the last five years the ability to grow at a 22% compounded rate. But then its price/earnings ratio, despite its decline is nearly 35 times this year's estimated results, and the

yield is below 1% on the indicated dividend. And the argument goes on from there.

[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.]

Foundation Elects Weicker to Board

Theodore Weicker, Jr., managing partner of E. F. Hutton & Company, has been elected a member of the Board of Governors of the New York Arthritis and Rheumatism Foundation, it was announced by Edward Allen Pierce of Merrill Lynch, Pierce, Fenner and Smith, Foundation President.

The Foundation, a voluntary health agency, supports programs of services to patients, research, and public and professional education in the fight on arthritis.

With R. W. Pressprich

R. W. Pressprich & Co., 80 Pine Street, New York City, members of the New York Stock Exchange, have announced that Paul H. Yeomans, Jr., has joined the firm as a registered representative.

To Be Cullman Partner

Cullman Brothers, 161 Front Street, New York City, members of the New York Stock Exchange, on Aug. 1 will admit Lawrence H. Levy to partnership.

New Kemper Branch

HOWELL, Mich.—John A. Kemper & Company has opened an office in the Old McPherson Bank Building in charge of Douglas Swann, registered representative. Mr. Swann was previously with Fordon, Aldinger & Co.



THE CHASE MANHATTAN BANK

HEAD OFFICE: 1 Chase Manhattan Plaza, New York 15, N. Y.

Statement of Condition, June 30, 1962

ASSETS

Cash and Due from Banks	\$2,186,431,376
U. S. Government Obligations	1,460,058,331
State, Municipal and Public Securities	653,448,414
Other Securities	48,920,053
Mortgages	270,837,772
Loans	4,818,830,790
Less: Reserve for Loans	124,711,211
Banking Premises and Investment in Realty Affiliates	88,714,001
Customers' Acceptance Liability	210,691,252
Other Assets	107,272,485
	\$9,720,493,263

LIABILITIES

Deposits	\$8,577,275,362
Foreign Funds Borrowed	4,709,072
Reserve for Taxes	49,344,727
Acceptances Outstanding	216,802,534
Other Liabilities	102,953,039
Reserve for Contingencies	34,913,477
Capital Funds:	
Capital Stock (Par Value \$12.50 Per Share)	\$174,594,425
13,967,554 Shares Outstanding of 14,639,071 Shares Authorized	
Surplus	500,000,000
Undivided Profits	59,900,627
	734,495,052
	\$9,720,493,263

Of the above assets \$758,527,684 are pledged to secure public deposits and for other purposes, and trust and certain other deposits are preferred as provided by law. Securities with a book value of \$68,425,739 are loaned to customers against collateral.

Member Federal Deposit Insurance Corporation

115 OFFICES IN NEW YORK METROPOLITAN AREA — 28 OVERSEAS

NEWS ABOUT BANKS AND BANKERS

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

Irving Trust Company, New York announces the appointment of Carl F. Kurtz as head of its Operations Division. In this capacity he is the Company's senior Bank operations officer.



Carl F. Kurtz

Mr. Kurtz joined the Irving in 1929 and has been a Vice-President since 1952. Formerly in charge of business in the Middle East, he previously had broad experience in various operating activities throughout the Bank.

First National City Bank, New York has initiated a service for the immediate exchange of foreign currency at all of its 91 metropolitan New York branches. It becomes the first New York Bank to offer this branch-wide foreign exchange facility.

In announcing the service the Bank states, "We have discovered that in the past tourists from other countries have had considerable difficulty in exchanging their currency for ours. Through this exchange service, we feel we can assist our government's promotion of travel to the United States as well as being of greater service at the 1964 New York World's Fair where we will have a branch."

In addition to exchanging currency during normal banking hours at all its metropolitan branches, the Bank has 24-hour-a-day exchange service at its New York International Airport branch in the International Arrivals Bldg.

THE FIRST NATIONAL CITY BANK OF NEW YORK

	June 30, '62	March 31, '62
Total resources	9,196,110,015	8,940,975,962
Deposits	8,023,006,462	7,664,800,735
Cash and due from banks	1,927,691,547	1,921,162,419
U. S. Govt. security holdings	1,725,774,852	1,564,699,721
Loans & discounts	4,385,067,112	4,297,940,672
Undiv. profits	136,395,998	132,528,755

William S. Beinecke was elected a director of the Manufacturers Hanover Trust Company, New York. He is also a trustee of the Harlem Savings Bank, New York.

THE CHASE MANHATTAN BANK, NEW YORK

	June 30, '62	March 31, '62
Total resources	9,720,493,263	9,272,972,146
Deposits	8,577,275,362	8,122,691,253
Cash and due from banks	2,186,431,376	2,101,625,748
U. S. Govt. security holdings	1,460,058,331	1,262,866,467
Loans & discounts	4,818,830,790	4,684,080,138
Undiv. profits	59,900,627	51,065,043

Election of two Vice-Presidents was announced July 5 by William H. Moore, Chairman of Bankers Trust Company, New York. John Hawes, Jr. and Irving S. Mandel were named Vice-Presidents in the international Banking Department and the 39th Street Office respectively.

Mr. Hawes joined Bankers Trust in 1951. He was named Manager in the foreign division in 1953 and has been an Assistant Vice-President since 1957. He will be assigned as officer in charge of Foreign Exchange trading. Mr. Mandel, formerly with the Public National Bank and Trust Company, New York, joined Bankers Trust as an Assistant Vice-President

when the two companies merged in 1955.

BANKERS TRUST COMPANY, NEW YORK

	June 30, '62	March 31, '62
Total resources	3,660,988,931	3,572,434,106
Deposits	3,203,678,472	3,115,377,025
Cash and due from banks	898,087,068	895,029,173
U. S. Govt. security holdings	633,892,790	568,193,181
Loans & discounts	1,691,612,421	1,666,358,031
Undiv. profits	67,491,782	63,892,470

The banking firm of Brown Brothers Harriman & Co., New York has adopted the new title of Deputy Manager of the firm and has made the following appointments to this position, effective July 1. Arthur R. Flannery, Herbert E. Gernert, Jr., Walter R. Good, Walter S. McConnell and George E. Schafer, all of whom were formerly Assistant Managers.

The following have been appointed Assistant Managers as of the same date: Curtis L. Anders, Anthony J. Barberi, Gerald H. Dakin, Michael Kravynak, Harold R. Mueger, Hector P. Prud'homme and Laurence F. Whittemore. Donald J. Petrie has been appointed Personnel Manager (a new official title) and Daniel F. McGauley, Assistant Comptroller.

Of the Deputy Managers, Mr. Flannery is in charge of the Commercial Letter of Credit Department; Mr. Gernert is in charge of the Investment Department; Mr. Good and Mr. McConnell have supervision over the Securities Research Department and Mr. Schafer is head of the Bond Dept.

Of the new Assistant Managers, Mr. Anders is with the Domestic Correspondent Banks Division; Mr. Barberi is in charge of the Data Processing Division; Messrs. Dakin and Kravynak are in the Investment Advisory Department and Mr. Mueger is in charge of the Securities Order Room. Mr. Prud'homme has general banking responsibilities with emphasis on foreign exchange and Mr. Whittemore is with the Investment Department.

Pindar L. Roraback has been elected President of the Federation Bank and Trust Company, New York, succeeding Thomas J. Shanahan, President since 1944, who becomes Chairman and Chief Executive Officer.

Mr. Roraback, a native New Yorker, joined the Federation Bank and Trust Company in 1938 as Assistant Vice-President. He was elected Vice-President in 1940 and became Executive Vice-President in 1944. He is a director of Federation.

Robert E. Rosenberg, formerly Vice-President and Secretary, has been elected to succeed Mr. Roraback as Executive Vice-President. He will continue to act as Secretary.

BROWN BROTHERS HARRIMAN AND COMPANY, NEW YORK

	June 30, '62	Dec. 31, '61
Total resources	289,753,190	305,986,532
Deposits	248,658,499	261,944,993
Cash and due from banks	66,855,703	73,652,760
U. S. Government security holdings	59,964,303	59,915,281
Loans & discounts	79,281,018	87,070,787
Capital and surplus	19,005,283	18,965,283

THE GRACE NATIONAL BANK OF NEW YORK

	June 30, '62	Mar. 31, '62
Total resources	263,296,245	254,020,985
Deposits	236,413,947	219,123,339
Cash and due from banks	74,323,103	63,657,318
U. S. Government security holdings	44,807,393	44,824,694
Loans & discounts	121,106,590	111,992,248
Undiv. profits	4,427,296	3,932,316

William G. Kearns, Vice-President

and Comptroller of J. Henry Schroder Banking Corporation, New York and Schroder Trust Company, New York died July 6. He was 53 years old.

He joined the J. Henry Schroder Banking Corporation in 1924 at the age of 16 and spent his entire business career with that organization. During this association, he was appointed Auditor in 1941, Comptroller in 1945, and Vice-President and Comptroller in 1960.

J. HENRY SCHRODER BANKING CORPORATION, NEW YORK

	June 30, '62	Dec. 31, '61
Total resources	155,041,882	154,521,894
Deposits	98,329,465	97,783,947
Cash and due from banks	23,795,242	25,958,327
U. S. Government security holdings	30,376,187	33,998,520
Loans & discounts	40,488,392	39,389,395
Undiv. profits	3,528,688	3,408,618

SCHRODER TRUST COMPANY, NEW YORK

	June 30, '62	Dec. 31, '61
Total resources	\$87,728,742	\$87,213,319
Deposits	78,157,877	77,703,305
Cash and due from banks	15,835,764	19,510,622
U. S. Government security holdings	22,292,261	23,492,655
Loans & discounts	41,815,528	34,928,842
Undiv. profits	1,501,873	1,487,811

KINGS COUNTY TRUST COMPANY, BROOKLYN, NEW YORK

	June 30, '62	Dec. 31, '61
Total resources	107,012,215	91,415,387
Deposits	95,338,773	79,989,511
Cash and due from banks	9,282,468	10,835,697
U. S. Government security holdings	28,990,007	17,194,483
Loans & discounts	36,134,718	31,841,259
Undiv. profits	1,285,319	1,098,095

THE MEADOW BROOK NATIONAL BANK OF SPRINGFIELD GARDENS, NEW YORK

	June 30, '62	Dec. 31, '61
Total resources	707,476,765	686,782,205
Deposits	622,674,616	605,267,318
Cash and due from banks	119,630,979	110,703,463
U. S. Government security holdings	113,386,849	108,733,361
Loans & discounts	63,998,307	67,313,598
Undiv. profits	7,290,663	7,410,403

The Valley National Bank of Long Island, Valley Stream, N. Y., and the Bellport National Bank, Bellport, N. Y., have received approval from the U. S. Controller of the Currency to merge effective Next July 13.

The acquisition of Bellport National Bank, with assets of \$5,700,000, will give Valley National aggregate resources of \$88,000,000. Stockholders of both banks approved the merger on June 8.

SECURITY NATIONAL BANK OF LONG ISLAND, NEW YORK

	June 30, '62	Mar. 31, '62
Total resources	247,634,557	236,895,475
Deposits	225,165,894	212,679,455
Cash and due from banks	26,100,712	23,348,633
U. S. Government security holdings	50,414,878	49,025,672
Loans & discounts	80,652,686	79,571,913
Undiv. profits	902,004	1,094,559

Shareholders of National Bank of Westchester, White Plains, N. Y., July 5 approved a 2% stock dividend to be paid to the holders of 1,166,754 shares of capital stock outstanding. The stock dividend, which is subject to the approval of the Comptroller of the Currency, will increase the number of outstanding shares to 1,190,088. The stock dividend will be payable Aug. 16, to shareholders of record July 16.

NATIONAL BANK OF WESTCHESTER, WHITE PLAINS, NEW YORK

	June 30, '62	Mar. 31, '62
Total resources	281,768,627	273,038,005
Deposits	257,961,944	251,427,488
Cash and due from banks	24,726,496	27,566,143
U. S. Government security holdings	89,008,876	84,930,483
Loans & discounts	75,674,690	73,254,867
Undiv. profits	3,132,895	2,293,364

The Fishkill National Bank of Beacon, New York, and The National Bank of Cold Spring on Hudson, Cold Spring, N. Y., consolidated effective as of the close of business June 15. Consolidation effected under the charter of The Fishkill National Bank of Beacon and under the

title "The Fishkill National Bank," with capital stock of \$350,000, divided into 7,000 shares of common stock, \$50 par value.

By the sale of new stock effective June 20 the common capital stock of the Glens Falls National Bank and Trust Company, Glens Falls, N. Y., was increased from \$864,000 to \$1,008,000.

The Citizens National Bank of Wellsville, Wellsville, N. Y., and State Bank of Bolivar, Bolivar, N. Y. consolidated. Effective as of the close of business June 15. Consolidation effected under the charter and title of "The Citizens National Bank of Wellsville," with capital stock of \$669,500, divided into 26,780 shares of common stock, \$25 par value.

RHODE ISLAND HOSPITAL TRUST COMPANY, PROVIDENCE, R. I.

	June 30, '62	Dec. 31, '61
Total resources	359,511,100	366,816,942
Deposits	315,162,692	322,866,765
Cash and due from banks	53,783,535	56,289,998
U. S. Government security holdings	66,136,772	86,384,521
Loans & discounts	208,601,407	195,329,125
Undiv. profits	5,131,752	4,861,000

THE CONNECTICUT BANK AND TRUST COMPANY, HARTFORD, CONN.

	June 30, '62	March 26, '62
Total resources	\$485,218,393	\$454,909,320
Deposits	431,991,767	389,273,638
Cash and due from banks	95,875,011	85,955,765
U. S. Govt. security holdings	84,675,187	79,622,754
Loans & discounts	237,935,015	222,604,457
Undiv. profits	7,693,531	10,745,950

The Peoples Trust Company of Bergen County, N. J., elected Edward A. Jesser, Jr. as Chief Executive Officer.

Mr. Bertheau, who was also Chief Executive Officer, will continue as Chairman and as consultant to the Board on banking policy matters.

Mr. Jesser has been President of the Bank since Feb. 1, 1960, and will continue in that position.

Broad Street Trust Co., Philadelphia, Pa. elected Hubert J. Horan, III, Executive Vice-President, J. Wolfe Golden, has been elected a Director.

A charter has been issued to the Metropolitan National Bank Wheaton, Montgomery County, Maryland. The Bank has a capital of \$700,000 and a surplus of \$350,000. The President is F. H. Proudfoot and the Cashier is Robert P. Talley.

First National Bank of Washington, D. C. elected Adm. Arleigh A. Burke, USN (ret.) and Gen. Clyde D. Eddleman, USA (Ret.), Directors.

Clarence W. Alston will rejoin The Bank of Virginia, Richmond, Va., as Assistant Cashier effective July 16.

Comptroller of the Currency James J. Saxon July 5 approved the merger of the Rockingham National Bank of Harrisonburg, Harrisonburg, Va., into the Augusta-Rockingham Bank, Weyers Cave, Va., effective on or after July 10.

SOCIETY NATIONAL BANK OF CLEVELAND, OHIO

	June 30, '62	Mar. 31, '62
Total resources	490,102,581	478,791,712
Deposits	449,834,610	436,764,131
Cash and due from banks	58,088,508	52,384,079
U. S. Government security holdings	109,625,374	115,540,280
Loans & discounts	254,599,214	241,638,258
Undiv. profits	1,753,393	1,462,084

The First National Bank of Elkhart, Elkhart, Ind. increased its common capital stock from \$1,566,000 to \$1,827,000 by the sale of new stock effective June 15.

First National Bank, Lincolnwood, Ill. elected William H. Skach,

President. He was formerly Executive Vice-President of Mutual National Bank, Chicago, Ill.

Gilbert J. Rynberk, Jr. has been elected Vice-President of Guaranty Bank & Trust Company, Chicago, Ill.

THE NATIONAL BANK OF DETROIT, MICHIGAN

	June 30, '62
Total resources	\$2,311,898,075
Deposits	2,105,286,932
Cash and due from banks	500,998,398
U. S. Govt. security holdings	579,470,986
Loans and discounts	901,413,013
Undiv. profits	26,254,685

A charter has been issued to the Columbia National Bank, Columbia, Boone County, Missouri. The Bank has a capital of \$250,000 and a surplus of \$250,000. The President is A. R. Bellinger and the Cashier is H. Duane Pemberton.

THE SECOND NATIONAL BANK, ASHLAND, KENTUCKY

	June 29, '62	Mar. 26, '62
Total resources	\$34,109,657	\$35,708,006
Deposits	30,773,074	32,374,584
Cash and due from banks	6,894,766	9,422,116
U. S. Government security holdings	10,222,546	9,619,982
Loans & discounts	12,750,029	12,687,321
Undiv. profits	482,919	419,318

First National Bank of Jacksonville, Jacksonville, (and) North Carolina increased its common capital stock effective June 19 from \$325,000 to \$812,500 by a stock dividend and from \$812,500 to \$1,000,000 by the sale of new stock.

The Southern National Bank of Orangeburg, Orangeburg, S. C., and The Liberty Bank of North, S. C., consolidated. Effective as of the close of business June 20. Consolidation effected under the charter and title of "The Southern National Bank of Orangeburg," with capital stock of \$235,000, divided into 23,500 shares of common stock, \$10 par value.

The Atlantic National Bank of West Palm Beach, West Palm Beach, Florida, increased its common capital stock by a stock dividend from \$1,000,000 to \$1,500,000.

First National Bank in Dallas, Texas, elected E. C. Freeman, Hubert C. Gentry, H. Leonard Jacks, Holt Malone, John C. Scurlock, Marvin L. West, E. B. Pace, L. M. Pace and James M. Spellings, Vice-Presidents.

A charter has been issued to the Clear Creek National Bank, Seabrook, Harris County, Texas. The Bank has a capital of \$200,000 and a surplus of \$150,000. The President is W. H. Baugh and the Cashier is Max J. Frels.

Bank of America, San Francisco, Calif. elected Merlyn E. Doleman and Ralph F. Young Vice-Presidents in corporate loan supervision in the San Francisco head office.

Crocker - Anglo National Bank, San Francisco, Cal. elected Eldon R. Campbell a Vice-President at the Sacramento office and T. James Carlile a Vice-President in the national division of the business development department of the San Francisco office.

Bank of America, San Francisco, Calif. has made Samuel B. Stewart Chief Executive Officer in charge of all trust activities. J. R. Johnson will continue as Vice-President and Senior Trust Officer in a new executive capacity relating to major trust relationships.

Wells Fargo Bank, San Francisco, Calif. elected Mattheus Visser, formerly General Manager of the Mercantile Bank of Canada in Montreal, a Vice-President at

Wells Fargo's San Francisco headquarters.

Golden Gate National Bank, San Francisco, Calif. appointed C. C. Fleming Financial Vice-President and Assistant to the President, effective Sept. 1.

Julian P. Jenner has been elected Senior Vice-President of the new **North West Bank, Seattle, Wash.**

After 32 years with the **National Bank of Commerce, Seattle, Wash.** he resigned to accept his new position.

IBA Program for Municipal Conf.

The Investment Bankers Association of America has announced the following preliminary program for the First Municipal Conference to be held at the Pick-Congress Hotel in Chicago, September 10-12.

MONDAY, SEPTEMBER 10

5:00-7:00 p.m.—

Get-Together Party.

TUESDAY, SEPTEMBER 11

8:15-9:15 a.m.—

"Kaffee Klatsch" (coffee and rolls).

9:30-12:00 Noon—

Municipal Bonds from the Viewpoint of Buyers:

- Insurance company buyer.
- Corporation buyer.
- Trust investment officer.
- Bank portfolio officer.

Discussion Periods

12:30-2:00 p.m.—Luncheon.

"Investment Banking as a Vital Force in the American Economy," Curtis H. Bingham, Bingham, Walter & Hurry, Inc., San Francisco, President, Investment Bankers Association of America.

"Golden Anniversary of the Investment Bankers Association," Walter Schmidt, Schmidt, Roberts & Parke, Philadelphia, Past President, Investment Bankers Association of America.

2:30-5:00 p.m.—

Underwriting and Syndication of Municipal Bonds (Panel members will be representatives of managers and syndicate members).

Discussion Period

WEDNESDAY, SEPTEMBER 12

8:15-9:15 a.m.—

"Kaffee Klatsch" (coffee and rolls).

9:30-12:00 Noon—

Broadening the Market for Municipal Bonds:

- Development of management objectives and policies.
- Improvement of municipal bond prospectuses.
- Public education and sales promotion.
- Developing retail interest among individuals.

Discussion Periods

12:30-2:00 p.m.—Luncheon.

"Federal Legislation in the Field of Municipal Finance," John N. Mitchell, Caldwell, Marshall, Trimble & Mitchell.

2:30-5:00 p.m.—

Legal Aspects of Municipal Bonds and Sales Thereof:

- The statute of fraud, negotiable instruments law and the Uniform Commercial Code.
- The role of the municipal bond attorney.
- Constitutional basis of immunity from federal taxation.
- Attitude of Congress toward tax immunity of municipal bonds.

Open Discussion Period

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The future trend of the money and capital market is beyond question tied up very definitely with the way in which the business pattern acts. The big point of concern at this time is whether or not the economy can take the sharp and sizable decline in the stock market and continue on the upward course that it has been following. There is not much agreement on this question at this time, although it appears as though those who believe that some downturn in the economic pattern will be the result of the stock market decline appear to have the most followers.

In spite of the large amount of funds that are available for investment there is no apparent rush to put this money into long-term obligations. It is still safety with short-term issues as far as most of these investors are concerned.

Eyes on Business Barometer

The economic pattern that will unfold or, in other words, the future course of business is becoming a more important force each day as far as the money and capital markets are concerned. The very sharp and severe decline in prices of common stocks is evidently going to have some kind of an adverse effect on the economy.

It is the amount of the unfavorable influence which is not predictable yet even though there are quite a few money market specialists who believe that the break in equity prices will not have more than a minor retarding effect on the business pattern. They are of the opinion that the economy will be able to take the heavy decline in prices of equities pretty much in stride so that any slowdown in the economy will not be important or of long duration.

Therefore, they do not look for any unusual changes in money market policy aside from a slightly firmer short-term rate in order to keep funds here that might be attracted by higher rates in other world money centers.

As against these views, there are those in the financial district who feel that the sizable and sharp decline in the stock market will have a rather unfavorable effect on the business of the country. They believe that the economy will not only turn down but the government will in the very near future be taking action to stop the slide before it turns into a full blown recession. The first thing looked for is an income tax reduction which would apply to individuals as well as corporations. Other measures are also expected, but the tax reduction would be the most potent of them all. A tax decrease would unbalance the budget to the tune of some \$10 or 12 billion, and this will have to be explained to those who have large holdings of dollars here which can be converted into gold.

3% Bill Rate Possible

With a tax reduction, it is believed that short-term money rates will be pushed up almost automatically so that the nervous type of money which has stayed here because of the income it earns will still be inclined to remain because of the better return it will be able to get. Higher near-term rates will mean that the bill rate will go to the 3% area and, with the most liquid issues going at such a level, it indicates that the discount rate will go up also.

Accordingly, the whole range of loaning rates would be increased so that the long-term rate for borrowings by the government, states and municipalities and corporations would be likely to go up also.

Future of Long-Term Rates

How long the rate for distant borrowings in the form of long-term bonds would be at higher levels will depend upon the size of the borrowings and the measures that might be taken by the monetary authorities to bring some ease into the capital market.

Until some of the uncertainties are cleared up, it is believed in most quarters of the financial district that the concern over the future pattern of business and the probable tax reduction is creating a cautious attitude toward tax-exempt and corporate bonds.

The demand for government issues, especially those in the in-

termediate-term range, continues to increase, with advices indicating that much of the money for these commitments is still coming from the sale of tax-exempt obligations. In addition, there is also a very sizable demand for the most liquid government securities, much of which is now coming from those investors who are not inclined to go into either stocks or long-term bonds.

Meller & Co. to Be NYSE Member

Joseph S. Murray will acquire a membership in the New York Stock Exchange, as of July 19, and on the same date, Meller & Company, 1 Chase Manhattan Plaza, New York City, will become an exchange member firm. Sydney H. Meller, formerly a partner in Kahn & Peck, Cohn & Co., is the other general partner in Meller & Company. Irwin G. Freyberg, Benedict Berkowitz, James A. Leyden, Louis Smirnow and Sydney B. Berkowitz are limited partners.

Formation of Meller & Company was previously reported in the May 31 issue of the *Chronicle*.

Barcus, Kindred Admits Six

CHICAGO, Ill.—Barcus, Kindred & Co., 231 South La Salle Street, has announced the appointment of six new general partners.

All of the appointments are men who have served with the firm for five years or more.

They are: Richard J. Brashler, Don A. Carlson, Donald J. Cincotta, Frederick F. Johnson, Richard L. Rhode and John W. Shields.

Barcus, Kindred & Co., founded in Chicago in 1932, is an underwriter of tax exempt municipal bonds exclusively.

The firm maintains offices in Miami, Fla., Kalamazoo, Mich., and recently opened a fourth office in Minneapolis, Minn.

Mr. Keith Kindred, one of the co-founders, will remain as managing partner.

With California Inv.

LOS ANGELES, Calif.—Abraham R. Abarbanel has become associated with California Investors, 3544 Olympic Boulevard, members of the Pacific Coast Stock Exchange. He was formerly with Costello, Russotto & Co.

DIRECTORS

LEE S. BICKMORE President, National Biscuit Company

JAMES C. BRADY President, Brady Security & Realty Corporation

JOHN M. BUDINGER Senior Vice President & Chairman of the Advisory Committee

S. SLOAN COLT New York

HOWARD S. CULLMAN President, Cullman Bros., Inc.

RICHARD C. DOANE Chairman of the Board, International Paper Company

J. PASCHAL DREIBELBIS Senior Vice President

WALLIS B. DUNCKEL President

KEMPTON DUNN President and Director, American Brake Shoe Company

E. CHESTER GERSTEN New York

JOHN W. HANES Director, Olin Mathieson Chemical Corporation

LEWIS A. LAPHAM Chairman of the Executive Committee

WAYNE C. MARKS President and Director, General Foods Corporation

GEORGE G. MONTGOMERY Chairman of the Board, Kern County Land Company

WILLIAM H. MOORE Chairman of the Board

WILLIAM A. MORGAN Senior Vice President

JOHN M. OLIN Chairman of the Executive Committee and Director, Olin Mathieson Chemical Corporation

DANIEL E. POMEROY New Jersey

WILLIAM T. TAYLOR Chairman, ACF Industries, Incorporated

WALTER N. THAYER President, Whitney Communications Corporation

B. A. TOMPKINS New York

THOMAS J. WATSON, JR. Chairman of the Board, International Business Machines Corporation

FRAZAR S. WILDE Chairman of the Board, Connecticut General Life Insurance Company

BANKERS TRUST COMPANY NEW YORK

Statement of Condition, June 30, 1962

ASSETS

Cash and Due from Banks	\$ 898,087,068
U. S. Government Securities	633,892,790
Loans	1,691,612,421
State and Municipal Securities	225,570,095
Other Securities and Investments	64,873,260
Banking Premises and Equipment	38,868,119
Accrued Interest, Accounts Receivable, etc.	15,560,368
Customers' Liability on Acceptances	89,339,207
Assets Deposited for Bonds Borrowed	3,185,603
	<u>\$3,660,988,931</u>

LIABILITIES

Capital (Par value \$10 per share)	\$ 89,754,440
Authorized 9,375,444 shares Outstanding 8,976,444 shares	
Surplus	160,300,000
Undivided Profits	67,491,782
Cash Dividend Payable July 15, 1962	4,038,950
Deposits	3,203,678,472
Reserve for Taxes, Accrued Expenses, etc.	31,157,351
Liability on Acceptances	99,912,291
Liability for Bonds Borrowed	3,185,603
Other Liabilities	1,470,042
	<u>\$3,660,988,931</u>

Assets carried at \$210,944,987 on June 30, 1962 were pledged to secure deposits and for other purposes.

MEMBER OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

MUTUAL FUNDS

BY JOSEPH C. POTTER

The Brain Factory

One day last month, Peter B. Cannell, the President of Chemical Fund, Inc., went to Rochester to address investment analysts. Mr. Cannell is a man of considerable vision in charge of an interesting portfolio. He must have stirred the imagination and contributed to the lore of his sophisticated audience.

Research and development, he told his listeners, in the years since World War II, "has grown at an extraordinary rate . . . this has brought about a whole new area of investment and a different approach to security analysis—a much more qualitative approach."

American energies in a bygone era were absorbed in physical matters, he noted, "clearing forests, building railroads, digging mines." He went on: "And for most of our history the traditional method of investment has been to seek ownership of tangible wealth: copper mines, forests—wealth in the ground. In the relatively recent past, investors have come to discover another, more rewarding type of wealth: wealth in the mind."

Here is a segment of the economy which hasn't always been profitable — at least to corporations. New industries and new products may be born in the laboratory, but the flow from

brain factory to income account usually is measured in years. Union Carbide's Morse Dial once said: "It is 10 years from test tube to tank car."

Spending on research and development in 1962 will add up to around \$16 billion—nearly 3% of the Gross National Product. This, as Mr. Cannell points out, is more than eight times the level of 15 years ago. At that time research outlays amounted to 1% of the GNP. There are now 500,000 scientists and engineers at work—twice as many as eight years ago. It has even been figured out that of all the scientists who ever lived, 90% are now alive.

In this new age of science the boundaries of the various branches defy demarcation. As Mr. Cannell told the analysts, chemistry has become more important in metallurgy. Electronics and biology are moving together to form a peculiar new science called bionics. He added:

"And so Chemical Fund, rather than being limited simply to producers of chemicals, as our name implies, has open to it, and more and more so every year, a very broad range of investments where some form of chemical processing is important. This new area now includes synthetic fibers, rocket fuels, headache pills, synthetic rubber, tooth paste, tranquilizers, glass, paper, photography, oil and gas, special metals and many other fields of industrial activity."

The Chemical Fund philosophy in dealing with these fields of investment is to seek out companies that are well managed, have imaginative research, marketing ability and prospects for developing the new products in volume. And emphasis is placed on products that can enjoy a relatively unique proprietary position in the market, thus supporting higher-than-average profit margins.

If the great investment opportunities today are locked in great brains rather than huge plants, then the role of investment stewards will become more important than ever. For railway carloadings, steel production figures, automotive output, retail sales and the other traditional barometers will provide only a meager clue to investment trends for workaday folks. It's a full-time job studying such esoteric fields as pesticides, steroid chemistry and bionics.

If the Cannell-type message can't be conveyed to all investment-minded people, at least it can be told by the thousands of mutual fund salesmen who do reach a substantial proportion of investors. They should waste no time in reading it, for while not every fund is chemical-oriented, it is a strange fund indeed that does not engage in research for profit.

The Funds Report Record Municipal Financing Amidst Rising Bond Prices

Carriers & General Corp. reports total net assets on May 31 amounted to \$17,518,090. Net asset value per share of common stock on that date was \$31.23, compared with \$35.85 on May 31, 1961.

Commonwealth International & General Fund total net assets on May 31 were \$2,533,034, compared with \$2,454,108 on May 31, 1961, stockholders were informed in the semi-annual report. Net asset value per share was \$9.62 on May 31, down from the \$11.37 shown a year earlier.

Common stocks of Minnesota Mining & Manufacturing and Legal & General Assurance Society (United Kingdom) were added to the portfolio.

Diversified Investment Fund net assets amounted to \$96,251,146, against \$108,318,034 on Nov. 30, 1961. Over that six-month span value per share declined to \$3.58 from \$9.69.

Arnold Stuart Potter, Director of **Eaton & Howard, Inc.**, and formerly Treasurer, died on July 7 at age 66.

Fidelity Management & Research Co. announces appointment of Roger L. Clifton to the research division. He was graduated this year from Harvard Business School and is an alumnus of Harvard College.

Institutional Income Fund reports asset value per share during the six months ended May 31 declined to \$6.34 from \$6.83. Asset value on May 31, 1961, was \$6.86. Total net assets on May 31, 1962, were \$34,818,081, compared with \$39,050,428 on Nov. 30, 1961, and \$40,390,983 on May 31, 1961.

Major portfolio transactions during the reporting period included new commitments in Lytton Financial Corp. notes, Decca Records and United States Lines while Montreal Metropolitan Corp. bonds, Baltimore & Ohio preferred and J. J. Newberry were eliminated.

Institutional Foundation Fund reports that asset value per share on May 31 was \$10.65, down from the \$12.21 on Nov. 30, 1961, end of the fiscal year. Asset value on May 31, 1961, was \$11.83 per share. Total net assets were \$53,997,336 on May 31, 1962, compared with \$54,981,720 on Nov. 30, 1961, and \$47,694,105 on May 31, 1961.

During the latest reporting period the company eliminated Automatic Canteen Co. of America, W. T. Grant, National Biscuit, Pillsbury, Public Service Electric & Gas and Republic National Bank of Dallas.

Institutional Growth Fund reports asset value per share was \$9.34 on May 31, down from \$12.09 on Nov. 30, 1961, close of fiscal year, and from \$12.30 a year earlier. Total net assets were \$116,813,964 on May 31, 1962, against \$147,899,842 on Nov. 30, 1961, and \$142,496,614 on May 31, 1961.

Investors Selective Fund, Inc., which invests primarily in bonds and preferred stocks, reports

Halsey, Stuart & Co.'s mid-year survey of municipal bond performance directs attention to the reasons for the heavier demand for tax-exempts and rising bond price level during most of the first half of 1962 when new issue marketing hit a record high.

Tax-exempt bond market prices rose consistently during most of the 1962 first half despite the marketing of a record volume of new issues, Halsey, Stuart & Co. Inc. said in its annual Mid-Year Survey of the Tax-Exempt Bond Market.

"Bonds sold during the first six months of this year established a record total of over \$5 billion, against \$4.5 billion in the comparable period of 1961," the Chicago firm said, pointing out that this represented close to 3,400 different issues, a slight increase over 1961.

Commercial bank investing following the change in Federal Reserve Bank Regulation Q was chiefly responsible for the price rise, Halsey, Stuart said. The revised regulation permitted FRB member banks to pay higher interest rates on savings and time deposits and caused the banks to shift the emphasis of their bond buying to higher-yielding intermediate and longer-term tax-exempt bonds.

Other Heavy Demand Factors
"Additional factors contributing to heavier demand for tax-exempts and helping to push prices higher were (1) an excess of bank funds, due to the fact that business failed to develop its expected vigor; and (2) an increased demand for tax-exempts by individual investors, apparently motivated by fear or caution in the face of fairly continuous and sometimes spectacular price fluctuations in the equity market."

Prices rose consistently until early May, when they were finally pulled down by the mounting inventory of unsold bonds and the continuing abundance of bonds being readied for sale. Both the tax-exempt and taxable bond markets were displaying relative strength and calm when the equity markets were "being badly upset", the survey noted.

Marketing of the large volume of bonds produced such keen competition among bidders that at times bids were entered at prices higher than those at which nearly identical outstanding bonds were being offered, Halsey, Stuart said. "Also, longer term bonds in substantial amounts frequently commanded better prices than identical bonds and maturities available only on smaller amounts. And new issues in certain maturities were sometimes advanced in price even before their original distribution had been completed."

High Volume Seen Continuing
Volume is expected to continue at a high level, despite "problems and confusion arising from

increased Federal spending, budget deficits, the outflow of gold and steps being taken by Federal authorities to offset it," said Halsey, Stuart.

"Attractive net yields, together with high-degree safety of principal, continue to be mighty convincing arguments in favor of tax-exempt bonds for individuals, particularly those in middle to high taxable income brackets."

\$21 Million Issue Of Los Angeles School Bonds Sold

A Bank of America N. T. & S. A. underwriting syndicate, which included First National City Bank, Bankers Trust Co. and The First National Bank of Chicago, on July 10 purchased the bond issues of the Los Angeles Unified School District and the Los Angeles City Junior College District totalling \$21,000,000.

The group bought the \$15,800,000 Los Angeles Unified School District Bonds, paying a premium of \$5,359 for a combination of 4%, 3 1/4%, 3.40% and 2 1/2% bonds. The dollar price was 100.034. The syndicate purchased the \$5,200,000 Los Angeles City Junior College District bonds, paying a premium of \$1,429 for the same combination of coupon rates. The dollar price was 100.027. Combined net interest cost on the two issues was 3.24%.

The bonds were reoffered to yield from 1.65% to 3.80%, according to maturity, Aug. 1, 1963-1987.

Other members of the underwriting group are:

Blyth & Co., Inc.; The First Boston Corp.; Smith, Barney & Co.; Kuhn, Loeb & Co.; Security First National Bank; Wells Fargo Bank; United California Bank; Crocker-Anglo National Bank; Chemical Bank New York Trust Co.; The Northern Trust Co.;

C. J. Devine & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Dean Witter & Co.; R. H. Moulton & Co.; Seattle-First National Bank; Mellon National Bank and Trust Co.; Bear, Stearns & Co.; William R. Staats & Co.; Reynolds & Co., Inc.; J. Barth & Co.;

Ladenburg, Thalmann & Co.; John Nuveen & Co., Inc.; Wertheim & Co.; E. F. Hutton & Co., Inc.; Shearson, Hammill & Co.; Ira Haupt & Co.; Paribas Corp.; Bacon, Whipple & Co.; William Blair & Co.; Clark Dodge & Co., Inc. and Francis I. duPont & Co.

A. G. Edwards to Admit to Firm

ST. LOUIS, Mo.—A. G. Edwards & Sons, 409 North Eighth Street, members of the New York and Midwest Stock Exchanges, on July 19 will admit David W. Mesker to general partnership and John T. Rogers and Arthur E. S. Schmid to limited partnership in the firm.

Oppenheimer Partner

Oppenheimer & Co., 5 Hanover Square, New York City, members of the New York Stock Exchange, on July 15 will admit Bernard Osher to limited partnership.

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COMMENTARY...

By M. R. LEFKOE

Imagine that you are having the following dream: You are the president of a company which has spent millions of dollars for research. After many years, a new product is developed which your surveys indicate will be in great demand. However, the plant and equipment needed to manufacture the product will cost additional millions of dollars, the distribution system and promotion required, millions more. Since your patent isn't broad enough to keep competitors out of the market for more than a year or two at best, your only course of action is to get your product on the market as soon as possible and sell enough units to recoup your investment. Then, even if competitive products are marketed, your original investment will at least have been returned. Confident of your company's ability to compete on equal terms with its competitors, you decide to go ahead.

Several weeks after your product reaches the market, you are notified by a government agency that you are engaging in an unfair competitive practice and are given 30 days to answer the charges. You hurriedly call a meeting of your legal staff. They tell you that, according to their interpretation of the law, you have done nothing illegal. Nevertheless, they warn you that similar cases have taken three or four years to be decided and you should be prepared for a long drawn-out hearing before the government commission. Armed with the knowledge that you done no wrong, you decide to contest the government's allegations and prepare to refute the specific charges.

But the government agency does more than just start a hearing in order to determine your innocence or guilt; they immediately issue a cease and desist injunction ordering you to refrain from selling your product until the case is settled. In horror, you reply that you have invested millions of dollars, and if you take your product off the market for several years waiting for a final decision, you will lose it all. Your cries go unheard. Instead, you are handed a subpoena to appear before a trial examiner with all of your records.

You leave their office with a feeling of dread, thinking — it isn't possible, it isn't right, it isn't just.

Suddenly you wake up sweating and realize that it was just a dream, a horrible nightmare. Such an event couldn't happen in America where a man is protected from such injustices.

Are you certain?

It Can Happen Here

Already endorsed by President Kennedy, there are several bills pending in both the House and Senate which would permit the Federal Trade Commission, when it issues a complaint charging a company with an unfair competitive practice, to also issue a temporary cease and desist order. Such an order would compel the company to stop the cited practice until formal F. T. C. proceedings could determine whether or not the disputed practice was actually illegal.

A recent article in *Nation's Business* described some of the implications of the bills as follows: "First, the defendant has the right to appear before the Commission and show cause why the temporary order should not be entered. The bill, however, does not say how he may do this, whether he may call witnesses,

whether it will be enough to show that there is no precedent for questioning the practice, whether he must prove that his actions are not harming anyone.

"Second, the bill provides for judicial review, but only as to whether notice of the hearing was given and a proper hearing was held. The court could not inquire into the legality of the practices under attack, whether the temporary injunction is in fact in the public interest, whether the hardship to the company outweighed the alleged injury to someone else, whether in fact there is irreparable injury to anyone, or anything else about the propriety of issuing a temporary order."

Dangerous and Unwise

A further description of the proposed bills can be found in testimony given during hearings held by the House Interstate and Foreign Commerce Committee. The spokesman for the Committee on the Federal Trade Commission Act of the State of New York, H. Thomas Austern, stated "It is unprecedented, and in our opinion extremely unwise, to vest authority of this kind in an administrative agency, which would be acting as prosecutor, judge and jury—all in one. We further believe that this bill would deprive respondents of the traditional and necessary safeguards which have so painstakingly been developed in our jurisprudence by courts of equity, that it would seriously undermine and pervert the administrative process, and that there is no demonstrated need for the drastic sanctions which it would authorize."

During these hearings, a representative of the National Association of Manufacturers identified that these bills would enable the F. T. C. to perpetrate the most flagrant violation of the American concept of justice. Lawrence S. Apsey, General Counsel of the Celanese Corp., argued that "this proposal [contained in the bills under consideration] represents a striking departure from the fundamental principles of Anglo-American jurisprudence since it shifts to a defendant the burden of proving his innocence instead of requiring the prosecutor to prove him guilty of violating the law. In essence, it would enable the Federal Trade Commission alone, and without invoking the objective and dispassionate review of a court, immediately to obtain the relief sought in a case which the Commission itself has instituted and before any violation of the law has been proven."

The Anglo-American concept of jurisprudence, which assumes a man innocent until proven guilty and which lays the burden of proof upon the accuser, was not arbitrarily conceived; it has a good foundation in logic. It is logically possible to prove a man's guilt (assuming that he is actually guilty); it is not logically possible for the defendant to prove his innocence (whether he is guilty or not).

An Impossible Task

Assume, for example, that you are charged with "an illegal restraint of trade" and are told by the F. T. C. which particular practice of yours is being considered illegal. How would you prove your innocence? You could attempt to bring to the hearings every company and consumer in the country and have all of them testify that they had not witnessed or been harmed by your actions. But even that wouldn't necessarily be enough. The Commission could

claim that you had precluded new companies from being formed by your actions. Could you prove that you hadn't prevented some unknown group of people from forming a company to compete with you?

To require you to prove your innocence is to require the impossible; to require you to do the impossible—and punish you for failing in your attempt—is the destruction of justice.

Does the injustice perpetrated by the bill sought by President Kennedy and the F. T. C. appear so monstrous that you suspect me of exaggerating its implications? Consider then the interpretation of the bill offered by Paul Rand Dixon, Chairman of the Federal Trade Commission, in a letter to Congressman Oren Harris, Chairman of the House Committee studying the proposed legislation.

Views of the FTC Chairman

Representative Harris asked the Commission whether it thought the proposed bill would require it to consider probable injury to the company accused of violating the law and whether the Commission would deny a temporary order when injury to the company outweighs the probable harm to others.

Speaking for the Commission, Mr. Dixon replied that "the interest of the public is paramount . . . if an individual should be found committing acts resulting in 'irreparable harm' to the public interest [as defined by the Commission], and it should appear to the Commission that those acts were of a kind prohibited by law, the Commission does not now understand that it has the license from the Congress to permit the respondent to continue to damage the public irreparably simply because to stop the respondent would be to stop his profit from his action." (Italics mine.)

Chairman Dixon went on to emphasize the "laborious and . . . time-consuming effort" involved in giving a Federal Judge enough information about a deceptive-practices case to persuade him to issue a temporary injunction. In calling for the passage of H. R. 8830 (one of the bills under consideration), Mr. Dixon explained that under the bill the F. T. C. could itself issue a temporary order immediately upon the conclusion of its investigation and a preliminary hearing, without the necessity of transferring all the Commission's knowledge and information to the district judge.

The End Result

Finally, Mr. Dixon stated that the Commission would have the burden of proof in resolving doubts raised by the company's defense, however, there would be no necessity in providing "for complete, definitive, and final adjudications of all issues on the question of whether a violation of law has occurred such as would be required before the issuance of a permanent or final order."

Furthermore, Mr. Dixon contended, a showing by the company that it had presented evidence raising some doubts about the merits of the Commission's case would not be sufficient to justify a denial of court enforcement of the temporary order.

As is the case with all would-be dictators, Mr. Dixon's own words betray him. They indicate that he is seeking, not justice, but power—the power of life or death over every single American business firm.

If this bill is passed, your dream will cease to be merely a dream—it will have become a living nightmare. The terror you will then feel will be caused by more than the fear of bankruptcy—it will be the dread of living in a world in which justice exists no longer.

Memphis Plans Refunding of \$163 Million Electric Bonds

City in seeking link with TVA power sources engages White, Weld & Co. as financial advisor.

MEMPHIS, Tenn.—Current negotiations between the City of Memphis and the Tennessee Valley Authority, seeking to make the former again a distributor of TVA power, may lead to refinancing of \$163,245,000 Memphis electric power revenue bonds, it was disclosed July 10.

The Memphis Light Gas & Water Division has engaged the services of White, Weld & Co., one of the country's leading investment houses, as financial advisor to the Division and the City of Memphis in negotiating the contract, according to Ray Morton, Division President.

During the course of negotiations with TVA, Mr. Morton revealed, it became apparent that it would be advisable to retain a financial advisor in working out terms and conditions of a lease agreement for the operation of the Thomas H. Allen Electric Generating Station and the possible refinancing of the City of Mem-

phis \$163,245,000 electric revenue bonds.

"Under present market conditions," Mr. Morton added, "the refunding of the present series 'A' revenue bonds could result in a very substantial savings to the Division. White, Weld & Co. will work closely with the Division and the City of Memphis in advising and assisting in the negotiations to secure the best possible rating for the bonds should refinancing be effected, and to assist in obtaining the lowest possible interest rate, as well as to lend its every effort in creating a favorable market for the bonds.

"White, Weld & Co. will not directly or indirectly participate in any underwriting of bonds proposed to be issued by the City of Memphis for refund of the present revenue bonds, nor acquire any interest in the bonds individually or as a member of any syndicate, but their services will be strictly that of a financial advisor," Mr. Morton said.



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Statement of Condition JUNE 30, 1962

RESOURCES

Cash and Due from Banks	\$ 95,875,011
U. S. Government Securities	84,675,187
State, Municipal and Other Securities	57,903,058
Loans and Discounts	237,935,015
Accrued Income Receivable	1,950,647
Banking Premises and Equipment	5,948,489
Other Assets	930,986
	\$485,218,393

LIABILITIES

Deposits	\$417,251,911
Deferred Credit due Federal Reserve Bank	14,739,856
Total	\$431,991,767
Unearned Income	5,139,104
Accrued Federal and State Taxes on Income	1,923,425
Dividend Payable in July 1962	504,584
Other Liabilities	4,806,865
Reserve for Contingencies	544,530
Capital Funds:	
Capital Stock (Par Value \$12.50)	\$12,614,587
Surplus	20,000,000
Undivided Profits	7,693,531
Total Capital Funds	40,308,118
	\$485,218,393

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BANK AND INSURANCE STOCKS

This Week — Insurance Stocks

MARKET PRICE PERFORMANCES OF INDIVIDUAL LIFE INSURANCE STOCKS

Following the posting of new all-time market highs in late 1961 and in the early months of 1962, the stocks of major life insurance companies showed weakness in April and May and then fell to new lows in the general market decline in June. Thus, the 18-month uninterrupted bull market in life insurance stocks which began in September, 1960 came to a close.

The 1960-1962 market advance for life insurance stocks rivaled the earlier 1953-1955 bull movement, when life insurance equities were first discovered by investors, in the size and scope of the price gains. The following table indicates the extent of the 1960-1962 market advance and the subsequent recent decline for the stocks of 20 major life insurance companies.

Life Insurance Stock Price Performances

	'61-'62 High	Recent Low	Price Decline	'60 Low to '61-'62 High
Aetna Life	\$158	\$90	33%	111%
Connecticut General	145	98	33	134
Nat'l. Life & Accident	111	71	36	170
Jefferson Standard	93	58	38	148
Travelers Ins.	178	110	38	144
American National	20	12	40	186
Lincoln National	191	115	40	151
Southwestern Life	129	78	40	200
Kansas City Life	3,380	2,000	41	184
Life Ins. Co. of Virginia	150	87	42	258
Gulf Life	61	35	43	274
Monumental Life	120	68	43	214
California-Western States	75	42	44	306
Liberty National	105	59	44	172
Business Men's Assurance	105	54	48	312
Commonwealth Life	70	36	48	324
U. S. Life	89	46	49	200
Bankers Nat'l. Life	92	42	54	415
Franklin Life	158	73	54	236
Continental Insurance	220	100	55	145

The decrease in market values, which averaged 43% from the 1961-1962 highs to the recent lows for the 20 companies under review, occurred at a time when most life insurance companies were reporting gains in life insurance sales and operating earnings in their 1961 annual reports to stockholders. For the industry, total life insurance sales advanced 5% in 1961 to \$79.5 billion, bringing total life insurance in force to \$635 billion. A higher return on invested assets, improved mortality experience, and excellent control of operating expenses permitted most companies to carry through the gain in sales to operating earnings despite increasing competition in the industry.

Industry sales have continued to increase in 1962. Through the first four months of the year ordinary life insurance has risen 3%, industrial 2% and group 9.4%, not reflecting a \$2.2 billion railroad employees group policy written in March, 1961. Total sales through April rose 4.4% compared with the average increase of 4% for the industry in the 1957-1961 period. Total sales for the full year are expected to reach \$83 billion.

In an analysis of the price declines of the 20 stocks listed above in order of the extent of the decline, the following factors may be noted. First, the stocks that declined the most were generally those that had advanced the greatest extent in the preceding months. This is a normal market pattern and was particularly characteristic of the 1962 stock market performance which has seen the growth stocks with high price/earnings ratios, which had been the leaders of the bull market, fall heavily in market value. Life insurance stocks had also risen to relatively high price/earnings ratios and were vulnerable to a correcting movement. A second characteristic of the life stocks that dropped sharply was their relatively small capitalization and the thin trading market which existed for their stocks. This resulted in rapid and sizable mark-downs in bid prices in the Over-the-Counter Market. Conversely, the life stocks that declined the least were those which had advanced the least in the 1960-1962 bull market, had a large percentage of their stock held in institutional hands, had more stable trading markets, and were selling at more reasonable price/earnings ratios.

In a recent study of the price performances of 25 fire and casualty insurance stocks in this column, it was pointed out that the average decline from the 1961-1962 high to the recent low was 33% and the average advance to the highs from the 1960 lows was 92%. For the 20 life insurance stocks listed here the average price increase from the 1960 lows to the 1961-1962 highs was 213%.

However, the average decline of 43% was also higher than the 33% average drop for the 25 fire and casualty stocks.

Most analysts have attributed a large part of the recent sharp drop in stock market values to the theory that investors have belatedly realized that we are no longer in an inflationary economy, and therefore common stocks as inflation hedges have lost some of their attractiveness. If the past inflationary psychology is curtailed or merely reduced, it could prove very beneficial to the life insurance industry which had lost out to other savings media during the 1950's because of the attractiveness of its guaranteed fixed payments could not offset the steady deterioration in the value of the dollar. Thus, increased savings could be expected in the form of relatively greater ordinary life insurance purchases rather than term insurance, which provides only insurance protection, to permit larger industry earnings on excess investment income.

In recent weeks the stocks of most life insurance companies have risen 10%-15% from their lows. The present prices of the stocks of the major life insurance companies are likely to attract continued investor interest in view of their steadily rising sales and earnings, the prevailing reasonable price/earnings ratios and the benefits of the decline in inflation psychology to the life insurance industry.

likely to be over a period of years, a very considerable period of years in most instances. Investment spending presumably is less dependent upon what taxes are today or this year than what they and other cost factors are likely to be five, or even ten years from now.

What the Government in Washington should be thinking about if it wants to promote long-term growth of industry and trade in this country are matters of a far different sort. We should be greatly surprised if business would not get a much greater stimulus from action which promised substantial reduction in Federal outlays beginning as soon as matters could be arranged and continuing indefinitely than it would ever get from tax reductions which obviously could not last any great length of time and which would about equally obviously be followed by still heavier taxes. Of course, such reductions in outlays are probably what is known as politically impossible at this time, but that is but another way of saying that the general public is being befuddled by propagandists, and has no real statesmanship to lead it. Placing agriculture and wage-earners under the same anti-monopoly restrictions as the rest of the economy would also go a long way to promote continued growth, as would a number of other steps of a kindred nature. When are these facts going to reach the inner consciousness of the rank and file?

Calgary Exchange Elects Officers

CALGARY, ALTA., Can.—At the annual meeting of the members of the Calgary Stock Exchange, the following were elected to the Committee of Management: Lionel Beeby, Clifton C. Cross & Company, Ltd.; A. R. Bennett; James Cleave, Cleave Investments Limited; H. Edelson, Edelson Investments Limited; F. G. Elves, F. Gordon Elves Investments Ltd.; R. M. Linden; S. Mann; and A. D. Mathieson.

At the meeting of the newly-elected committee, Mr. Edelson was elected president; Mr. Cleave, first vice president; Mr. Beeby, second vice president; and Mr. Mathieson, secretary-treasurer.

Nat'l Inv. Clubs To Convene

DETROIT, Mich.—The National Association of Investment Clubs will hold its twelfth annual convention Oct. 19 and 20 at the Sheraton Hotel in Philadelphia.

Form Popular Investors

Popular Investors Corp. has been formed with offices at 2111 Seventh Avenue, New York City, to engage in a securities business. Officers are Norman J. Cohen, president, and Sidney Scher, secretary and treasurer.

As We See It

Continued from page 1

tend to perpetuate such undesirable factors, might well actually retard longer term growth.

In particular, it may be said that reckless tax reduction without reference to expenditures could well have long-term effects of anything but a desirable nature quite regardless of what its immediate consequences may be. Obviously, if the spenders are to continue to have their way, no tax reduction can be of more than a temporary nature. As a matter of fact, something more than a rein-statement of taxes reduced must be counted upon in the not too distant future since public debt meanwhile will have risen. Meanwhile, whatever untoward factor that caused the recession if there is one or retarded growth would, one must suppose, still be present.

A Basic Defect

What has always disturbed us about these anti-cyclical devices proposed from time to time, even some of those advocated by undoubted authorities, is that they seem to assume that a recession has no cause or if it has any cause it is of a wholly psychological nature which can be removed by some sort of political legerdemain. The older idea—which we must say still seems to us to have merit—that recessions are bred during booms and that they ordinarily by one means or another tend to eliminate these adverse factors seems to be wholly forgotten. It could well be, of course, that this is an expensive way of eliminating infirmities, but who has come forward with a less expensive way? Who, as a matter of fact, can say with confidence in any given recession just what it was that precipitated it, and what could be done to remove that cause? Apparently, in the present state of human knowledge only nature itself can perform this function. It would appear, therefore, that any action taken by the political powers should do what is pos-

sible to assist nature in its task. Certainly they should not concoct devices which more or less concededly are designed to thwart nature and persuade the economic system to function unnaturally.

If all this is true of anti-cyclical efforts of the sort ordinarily proposed, it is even more true of many if not most of the programs put forward to promote long-term growth. The present demand for tax reduction without reference to outlays and without any assurance of trimming expenditures in the foreseeable future is an excellent case in point. Long-term growth can, we should suppose, hardly be promoted by means that are obviously and inevitably quite temporary at best in their direct effect. It is conceivable at least that the rank and file of consumers could be persuaded to spend their funds somewhat more recklessly should they find that their taxes are to be lighter for the time being. Ordinarily, consumers are not given to looking into the future with any great circumspection. But considering the extent that these consumers are already in debt for just such purposes, it certainly may be questioned whether the general good would be promoted by artificially stimulated spending on their part.

Will Not Promote Investment Spending

In any event, one of the most heard, possibly the most heard, complaints is of unsatisfactory investment spending by business. We can hardly believe that a practical businessman is likely to embark upon any broad expansion or improvement program on the strength of what to him must be quite obviously a temporary relief from taxation. When a businessman considers laying out funds for expansion or for expensive improvements in his capital equipment, he obviously must consider not what his profits are to be this year or next year so much as what they are

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The Balance-of-Payments Paradox—a Solution

Continued from page 3

and no balance-of-payments problem.

These facts are brought out in our Table II, which shows impressively that the basic change in our liquidity situation since 1955 comes entirely from the step-up in the rate of our investments abroad. Our primary balance-of-payments was better in the last six years than in the decade 1941-50, and considerably better than in 1950-55.

Overlooked Factor

That our foreign investments have proved profitable is indisputable; that they should be continued to the extent feasible is also scarcely open to question. But that they have been the chief new factor in causing the gold drain is equally true. Yet this seems to be universally overlooked or directly denied. A favorite argument of those who gloss over this aspect of the problem is that our annual income from our foreign investments about equals the amount we are now investing; hence the two accounts are in balance and the investment does not contribute to the deficit. This reasoning is so faulty as to appear almost intentionally deceptive. It implies that if we didn't add \$3 billion net to our stake abroad each year we would not have had the estimated \$3.2 billion gross (\$2 billion net) received in 1961 as income on investments. Of course that is not so. The 1961 income was practically all received from our previous investments. Had we not invested another dollar in that year we would have earned \$3 billion of foreign profits just the same, and we would have shown a goodly increase in gold or liquidity in that year.

It is customary also to point out that the grants and capital transfers made by our Government in recent years average some \$2.5 billion annually, and hence that they account for our adverse balance. This is true in the sense that if all our foreign aid had been cut off our problem would not have arisen. But our foreign aid was much higher in the years before 1951 than the recent figures. Hence it is not a new factor in our international accounts, as are our large foreign investments, and cannot logically take the blame for the new and disturbing situation. This is not an argument either for or against continuing foreign aid; it aims only to put that factor in its proper historical perspective.

A Proposed Solution

Certain conclusions should be now be apparent from this analysis. The first is that it would be absurd for us to continue to impair our liquid position by investing money we don't have available for investment. The second is that, in the interest of the free flow of capital, we should seek new means of financing such investments abroad as our businessmen want to make. The most logical means of doing this would be for us to incur long-term debts to foreigners to offset our new long-term claims on them. Such borrowing should preferably be done in the countries in which the new investments are made; it might well be repayable in the currency of the lenders, but repayment in dollars would also be admissible; again, it would best be done by our corporations with large investments abroad, but to the extent that they are unable or unwilling to do so there is no good reason why the U. S. Government should not float such loans.

An Anomalous Situation

It is indeed an anomaly that foreign nations and subdivisions are continuing to borrow dollars from us in substantial amounts at a time of uncertainty about, or actual threat to our own liquidity. (The net figure in 1962 is running at an annual rate in excess of \$1 billion.) If this borrowing is not to be prohibited—a step I should deplore—it too should be offset by corresponding long-term loans contracted by us.

Readers will object that such borrowing by us is an unheard-of and impracticable thing. I have seen assertions to this effect, but no facts to back them up. The U. S. Government, at least, should be able to sell bonds in England, France, West Germany and Switzerland on terms as reasonable as those accorded any borrower there. Bonds of this type issued by our Government will not add to our public debt since the proceeds, brought over in dollars, should be used to pay off a corresponding amount of internal debt. I do not know of any feasible means of persuading or compelling our corporations to do such borrowing for their own account. It is possible that the committee of executives, set up last April to aid the President in dealing with this problem, may work out something constructive along these lines.

Defense of the Dollar

Our Treasury officials have been busy in recent months working out some arrangements, superficially similar to those just proposed, to defend the dollar against massive withdrawals, "bear raids," etc. These have involved short-term borrowings repayable in Swiss francs and lire, as well as exchanges of dollars for other currencies. For the purposes stated these devices are ingenious and desirable. They operate in the sphere of short-term capital movements, a vital factor in the special position of the dollar as the key international currency. In this regard the U. S. is in the position of a commercial banker owing large sums on demand deposits and concerned to protect himself against "a run on the bank." But it is not logical to consider short-term borrowing and currency swaps as carrying any solution of the more basic problem caused by our persistence in investing abroad money not generated by the aggregate of other factors in our international accounts. (Cf. the critical article on this subject by Dr. Paul Einzig in the May 24 issue of the *Commercial and Financial Chronicle*.)

Increased Exports Questionable

The suggestions most widely advanced, by business leaders and government officials alike, for stopping the gold drain is by increasing our exports through more efficient production and lower prices. On this point we should ask ourselves two questions: (a) Is it really feasible for us to increase our export balance by, say, \$2 billion a year in the near future through the suggested means? (b) Is it appropriate for us to seek a better trade balance than the excellent one we already have, at the expense of other nations whose underlying position is weaker than ours and who are more vitally dependent on their trade balance? If the solution via expanded exports is unattainable or internationally unsound, then the general emphasis on this attack may be leading us astray rather than helping us. Efforts to reduce overseas spending of various sorts and to attract foreign tourists here are undoubtedly called for, but their effects are likely to be inadequate as well as unpopular.

The provisions in the pending tax bill applicable to foreign investments have been assailed as unfair and destructive and defended both on the grounds of

tax equity and for their aid in diminishing the outflow of dollars. Whether the proposed provisions are the soundest possible ones or not it is certain that a real effort should be made to prevent a further loss of liquidity through transactions that serve little purpose other than tax avoidance.

Conclusion

The first step towards a sound solution of our really pressing balance-of-payments problem is a long, clear look at the actual figures in their proper historical perspective. When this is done it is hard to escape the conclusion that our new foreign investments should either be curtailed in amount or financed by corresponding borrowings by us abroad.

[Note: Re "Unrecorded Transactions." This balancing accounts in the quarterly figures, which covers "errors and omissions," has often been of substantial size. Until 1960 it was virtually always in our favor, and was thought to represent chiefly unreported inflows of capital. But in both 1960 and 1961 it has swung over into more than \$600 million against us, thus aggravating our liquidity drain. A comment in the President's Economic Report for 1961 (p. 159) indicates that these items, relate mainly to outward capital movements not covered by our

reporting network. In my calculations I have assigned throughout one-half of the unrecorded transactions to ordinary trade-balance accounts and one-half to capital accounts. This probably understates our capital outflow in the past two years and makes our recent trade balance less favorable than it actually was.]

CORRECTION

In reporting the formation of Ebin, Robertson & Co., Inc., in Minneapolis in the June 21 issue of the *Chronicle*, it was indicated that the firm's offices were in the First National Bank Building. We are informed that this was in error and that the firm is located in the Rand Tower.

Kemper Detroit Branch

DETROIT, Mich.—John A. Kemper & Company has opened a branch office in the Penobscot Building in charge of Ralph Fordon, resident partner, and Post Fordon, manager.

Hanover Securities Inc.

Hanover Securities, Inc., is engaging in a securities business from offices at 60 East 56th Street, New York City. Officers are Eugene L. Colman, president; Arthur Adler, secretary and treasurer.

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Statement of Condition

At the Close of Business on June 30, 1962

ASSETS

Cash and Due from Banks	\$ 9,282,467.83
United States Government Securities	28,990,007.20
State and Municipal Securities	21,030,472.62
Other Securities	1,227,841.37
Stocks	715,881.20
Bonds and Mortgages	7,691,440.72
Loans and Discounts	36,134,718.27
Bank Building	677,873.35
Other Assets	1,261,512.68
	<u>\$107,012,215.24</u>

LIABILITIES

Capital	\$ 2,662,000.00
Surplus	6,000,000.00
Undivided Profits	1,285,318.51
General Reserve	1,332,410.93
Unearned Discount and Other Deferred Credits	203,599.58
Reserves for Taxes and Expenses	190,113.53
Deposits	95,338,772.69
	<u>\$107,012,215.24</u>

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TABLE I
Our Balance Sheet With the Rest of the World
(Including Gold) December 1949 and 1961
(In Billions of Dollars)

Liquid Position:	1949		1961*		Net Chg.
Gold	\$24.6		\$16.9		
IMF subscription	2.8	\$27.4	4.1	\$21.0	
Less short-term obligations		9.8		27.9	
Primary Liquid Position		\$17.6		—6.9	—\$24.5
Our private short-term investments abroad	1.3		6.2		
Certain U. S. Govt. advances†	0.3	1.6	1.1	7.3	+ 5.6
Our Net Liquid Position		\$19.2		\$0.4	—\$18.8
Long-Term Position:					
Our private long-term foreign investments	\$15.5		\$49.0		
Less fgn. long-term invests. here	7.1		19.0		
Net Private Long-Term		\$8.4		\$30.0	+ \$21.6
Net Equity, as above		\$27.6		\$30.4	+ \$2.8
Other U. S. Govt. claims		10.7		15.9	+ 5.2
Our Total Net Equity		\$38.3		\$46.3	+ \$8.0
Net Equity, excluding all U. S. Government claims		\$27.3		\$29.3	+ \$2.0

* Calculated from tentative 1960 balance sheet plus indicated changes for 1961.
† Includes only U. S. short-term advances to Canada and Europe. (Short-term advances to Latin America and Asia totaled \$2.9 billion in addition.)
‡ Includes \$1.1 billion for estimated unremitted foreign earnings in 1961. It is not clear how much of such unremitted profits are reflected in the accounts before 1961.
SOURCES: Economic Report of the President, 1961 (p. 151, etc.); Federal Reserve Bulletin, Dec. 1961; Economic Indicators, May, 1962.

TABLE II
U. S. Balance-of-Payments Figures (Adjusted)
For Various Periods 1931-1961
(in Millions of Dollars)

Annual Average	Goods and Services Net Cr	U.S. Govt. Remits, etc. Net Dr*	Primary Balance of Payments	U.S. Private Foreign Invest. net*	Final Balance of Payments (Unrecorded Transactions)
1931-1940	650	25	Cr 625	Cr 640	Cr 1,265 (Cr 381)
1941-1950	7,192	6,992	Cr 200	Dr 370	Dr 170 (Cr 353)
1950-1955	2,039	2,908	Dr 868	Dr 760	Dr 1,628 (Cr 309)
1956-1961	3,540	3,195	Cr 345	Dr 2,702	Dr 2,357 (Cr 172)
Year 1961	5,237	4,009	Cr 1,228	Dr 3,682	Dr 2,454 (Dr 616)
12-year total, 1950-1961	33,563	36,617	Dr 3,044	Dr 20,794	Dr 23,838 (3,888)

* "Unrecorded transactions" are here allocated one-half to "U. S. Govt. grants, etc." and one-half to "U. S. private investments abroad."
† "Cr" here means net disinvestment.
‡ The gain in our net equity position in this period (shown in Table I) must be due to the addition thereto of unremitted profits on our foreign investments.

Moratorium on Rail Mergers Not in the Public Interest

Continued from page 1

the authority to protect the public interest in these matters. The law now requires and the Commission does consider every pertinent factor bearing upon the public interest in the development, preservation, and maintenance of a sound national transportation system, adequate to meet the needs of the commerce of the United States, of the postal service, and of the national defense.

It is true that, under existing law, authority granted by the Commission under section 5 is permissive and may or may not be exercised, at the election of the parties involved; and, thus, the Commission is without power to "make" railroads consolidate in such manner as to conform to a preconceived pattern. However, we may, in fact we must, withhold authority if, in our judgment, a proposed consolidation will not be consistent with the public interest.

National Plan Failed During 1920-1940 Attempt

The concept that the Commission should first establish a pattern for railroad consolidations for the entire country, to which the railroads must conform in proposing any future unifications, was included in the law between 1920 and 1940. The impracticality of the scheme soon became manifest, and, beginning in 1925, the Commission in its annual reports to the Congress, repeatedly asked to be relieved of the onerous burden of prescribing a national consolidation pattern. After nine years; however, on Dec. 9, 1929, in *Consolidation of Railroads*, 159 ICC 522, the Commission brought forth its plan, with misgivings, and emphasizing the fact that there would be future modifications. Several Commissioners attached separate expressions, emphasizing this point and emphasizing even more that "the important time will come when we take action upon . . . definite applications." Commissioner Eastman stated:

"Although I do not approve of it in important respects, I concur in the adoption of the consolidation plan above outlined because it has many good features, because it is necessary under the law to adopt some plan, and because it is not very important, after all, whether or not it is the best plan that could be devised. We may modify it at any time hereafter, and no consolidation for which it provides can be accomplished until we have found,

after full hearing, that the public interest will be promoted thereby. There is, I think, much misunderstanding on this point. The plan is very little more than a procedural step. There is nothing compulsory about it, nor even any assurance that authority will be sought to carry out the consolidations which it proposes. Applications for authority to effectuate certain unifications are now before us which in many particulars are inconsistent with the plan. The important time will come when we take action upon these and similar definite applications.

"It must be borne in mind that the record in this consolidation-plan proceeding was closed some years ago, and is not up to date. In my opinion we would not be warranted in adopting a plan without further hearings, were it not for the fact that it can be modified at will thereafter. Because the plan is thus lacking in finality, it seems to me that to the extent that we have misgivings in regard to it, we ought to indicate what those misgivings are and disclose frankly the present content of our minds. If we do this, those who hereafter seek approval of definite consolidations or unifications will know what they have to meet, and will have a better opportunity to correct misconceptions or to show, if it be the fact, that the views which we are at present inclined to hold are based upon unsound premises or are the outgrowth of insufficient knowledge."

In 1932, the Commission issued its third supplemental report in the proceeding, involving modification of the plan in eastern territory, exclusive of New England. There were five separate expressions, with two dissents. The sensitivity of the railroads to changing general economic conditions, the impracticality of prescribing in advance a fixed national pattern of railroad consolidations, and the many advantages of handling the matter of railroad consolidations on the basis of evolution through individual cases, are, we believe, apparent from a reading of the report and separate expressions.

Four Tests Must First Be Met

In 1940, section 5 of the Act was completely rewritten. The mandate to the Commission to formulate a national plan for the consolidation of railroads and to approve only those proposed transactions which might conform to that preconceived plan was eliminated. However, the Commission was, at the same time,

given the power to grant or deny, or to approve with conditions, any control or unification transactions which might be brought before it. Section 5(2) (c) provides four conditions which, among other things, must be considered. These four criteria relate to the adequacy, efficiency and economy of transportation in the United States. They are:

- (1) the effect of the proposed transaction upon adequate transportation service to the public;
- (2) the effect upon the public interest of the inclusion, or failure to include, other railroads in the territory involved in the proposed transaction;
- (3) the total fixed charges resulting for the proposed transaction; and
- (4) the interest of the carrier employees affected.

All considerations must be with a view toward accomplishing the requirements of the national transportation policy. The Commission cannot, and will not, under the present law, approve any such transaction until all these criteria, where applicable, are met. There are no refinements involved — the proposal must meet these tests. These, together with all other provisions of section 5 have been, and will be, constantly borne in mind. The Committee's attention is invited to the fact that section 5(2)(c) does not limit the factors which the Commission may consider to those four stated in that section. The Commission may, and does, and will properly consider any other factors helpful in ascertaining the true public interest.

The Transportation Act of 1940 greatly strengthened the powers of the Commission to investigate, either upon its own motion or upon complaint, any transaction which might result in the acquisition of control or the power to control one railroad by another, and its powers to enforce these provisions by ordering such action as necessary are extremely broad. The Commission has been keenly aware of the increased interest of railroad officials in possible mergers and the Committee may be sure that it will continue to keep informed of any situations which might progress beyond mere negotiation and discussion into the realm of the power to control in violation of section 5(4) of the Act. If and when this occurs, or appears to have occurred, the Commission will not hesitate to act to prevent any unlawful control.

Rails' Lack of Interest in Mergers

A review of the Commission's decisions removes all doubt that for many years the position has been consistently maintained that the unification of railroads is frequently an important aid in improving the financial condition of the participating carriers and often increases the economy and efficiency of the operations. These decisions do not indicate any rubber stamp approval on the part of the Commission. Painstaking consideration has been given to each such proposal presented. Not only has the Commission been of the view that unifications are often the answer to the problems experienced by individual railroads; the same view has been held and stated by the Congress for many years, beginning prior to 1920. As recently as 1958, in reporting the Transportation Act of that year, the Subcommittee on Surface Transportation of the Senate Committee on Interstate and Foreign Commerce stated that the railroad industry has not been sufficiently interested in self-help in such matters as consolidation and merger of railroads.

In administering the provisions of section 5, the Commission has continuously borne in mind the Congressional policy stated in the

Interstate Commerce Act, "to the end of developing, coordinating, and preserving a national transportation system by water, highway, and rail, as well as other means, adequate to meet the needs of the commerce of the United States, of the postal service, and of the national defense." Obviously, not all mergers are in the public interest, but the only practical way to determine whether they are or not is on the basis of particular proposals and the evidence submitted by all sides.

I.C.C.'s Views in a Nutshell

The Commission does not believe that the formulation of a fixed national pattern is feasible or that transportation progress should be halted in the field of railroad unifications, even temporarily.

We make no claim to perfection, but we would welcome a review of the action taken by us in any particular case or cases. We submit that our reports in these proceedings do not evidence any failure fully to consider all aspects of the public interest.

We strongly urge that the Congress not depart from its past consistent policy of fostering and encouraging those unifications of railroads which meet the tests which it has prescribed and which the Commission administers. We are convinced that such a prohibition, even for the short time proposed, might cause serious harm to some railroads. Last year, in extending the authority of the Commission to guarantee loans to railroads, the Congress recognized the fact that many of the nation's railroads are in critical financial condition.

While consolidations and mergers should not be considered a cure-all for the problems of the railroads, nevertheless, it is true that there are many situations in which the consolidation of facilities will effect substantial economies, as well as improve service, and promote more sound economic conditions in the industry. Curtailment of our authority to approve meritorious unifications, shown to be consistent with the public interest, could unreasonably delay needed relief and would discourage other railroads from going forward with studies and plans directed toward self-help of the kind which they have been admonished to promote.

We are further of the opinion from the experience gained in connection with the mandate in the Transportation Act of 1920, where nine years elapsed between passage of the law and the promulgation of the plan, that the restriction proposed in S. 3097 would accomplish nothing if the intent of the suspension is to formulate a national pattern for railroad consolidations.

We believe that proposed unifications or acquisitions of control of railroads, carefully considered by the Commission under existing law, can be important factors in insuring, in the public interest, preservation of an essential railroad system, and that the benefits to be derived from such unifications or acquisitions should not be deferred longer than is necessary for the Commission to afford them careful consideration on the basis of formal records. Curtailment of the Commission's authority might, in some cases, even prevent highly desirable transactions from being accomplished.

Might Be Disastrous

If, for example, it were found that certain proposed transactions would fall within the prohibitions of section 7, they could not be approved regardless of how meritorious they might otherwise be in the public interest. Enactment of S. 3097 could preclude, or defer for such a long period as to be disastrous to a particular carrier involved, acquisitions of railroads

in serious financial condition which might otherwise be preserved and rehabilitated.

Moreover, if S. 3097 were enacted, the question presented, in each case, of whether the proposed transaction would substantially lessen competition or tend to create a monopoly would be determinative of the Commission's jurisdiction under section 5 of the Interstate Commerce Act. If this question were resolved in the affirmative (assuming one of the railroads had assets of more than \$200 million, and was not in bankruptcy, trusteeship, or receivership) the application under section 5 would have to be dismissed. If, on the other hand, the question were resolved in the negative, jurisdiction would be assumed and disposition made on the merits under section 5. It seems likely that, in most instances, jurisdiction would have to be presumed initially and the proceedings processed, with oral hearing, in order to resolve the question of whether it would result in a substantial lessening of competition within the meaning of the Clayton Act. This time and effort could be used to a greater advantage, in our opinion, by the same processing and hearing on the application to determine the issues under section 5.

F.T.C. Act vs. Sect. 5 of I.C.C. Act

Thus, it would appear that if the Commission's appellate powers under section 5 are to be curtailed, although we do not agree that they should, this should be accomplished directly by amending section 5, instead of indirectly by amending the Clayton Act. In any event, we wish to point out in this connection that among the issues now considered in section 5 proceedings is the question of the lessening of competition.

Under one interpretation of section 7, the objective of the bill could, as we see it, be largely nullified. Section 7 prohibits only those corporations subject to the jurisdiction of the Federal Trade Commission from acquiring the assets of another, where the effect is to substantially lessen competition. Since common carriers subject to the Interstate Commerce Act are not subject to the jurisdiction of the Federal Trade Commission, the merger of two railroads, not involving the acquisition of capital stock, could be effected, for example by acquiring the assets of another, without violating section 7 even if S. 3097 were enacted and the result would be to substantially lessen competition.

While there does not appear to be any court case dealing with this question as to common carriers since the 1950 amendment of section 7, the view expressed regarding banks in "A Study of the Antitrust Laws" by Joseph W. Burns in a report to the Subcommittee on Antitrust and Monopoly of the Senate Judiciary Committee, 84th Congress, 1st Session, would appear to be equally applicable to common carriers. On page 337 of that study it is stated:

"Section 7 of the Clayton Act now prohibits bank mergers consummated by purchase of stock wherever the result might be a substantial lessening of competition or a tendency to create a monopoly in any line of commerce in any section of the country. In actual practice this prohibition has been a 'dead letter' since virtually all bank mergers, for legal reasons, are effected through purchase of bank assets rather than of stock."

For the reasons I have stated, we strongly recommend against enactment of S. 3097.

*A statement by Mr. Murphy before the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary on S. 3097 introduced by the subcommittee's Chairman, Sen. Estes Kefauver (D., Tenn.) July 5, 1962.

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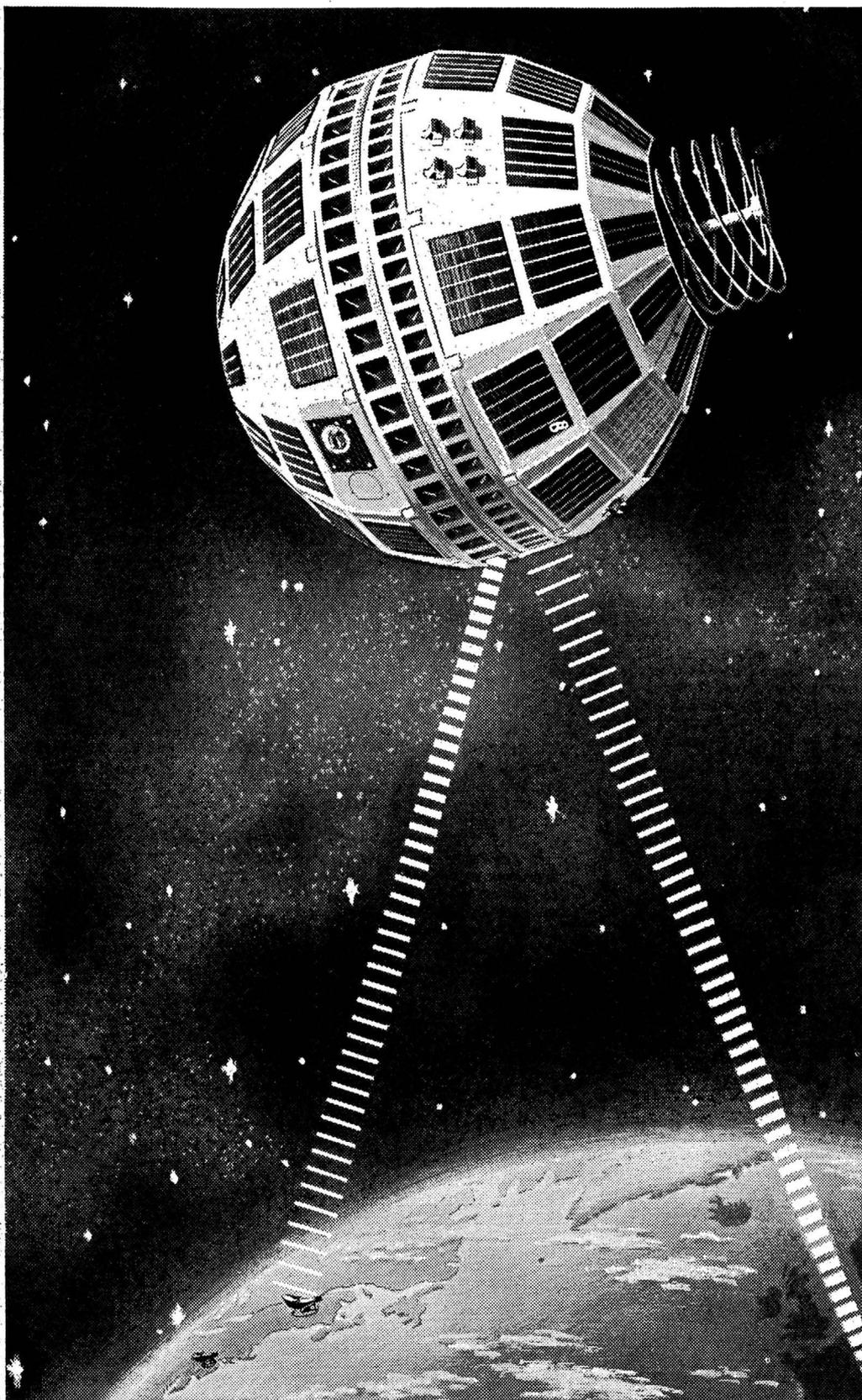
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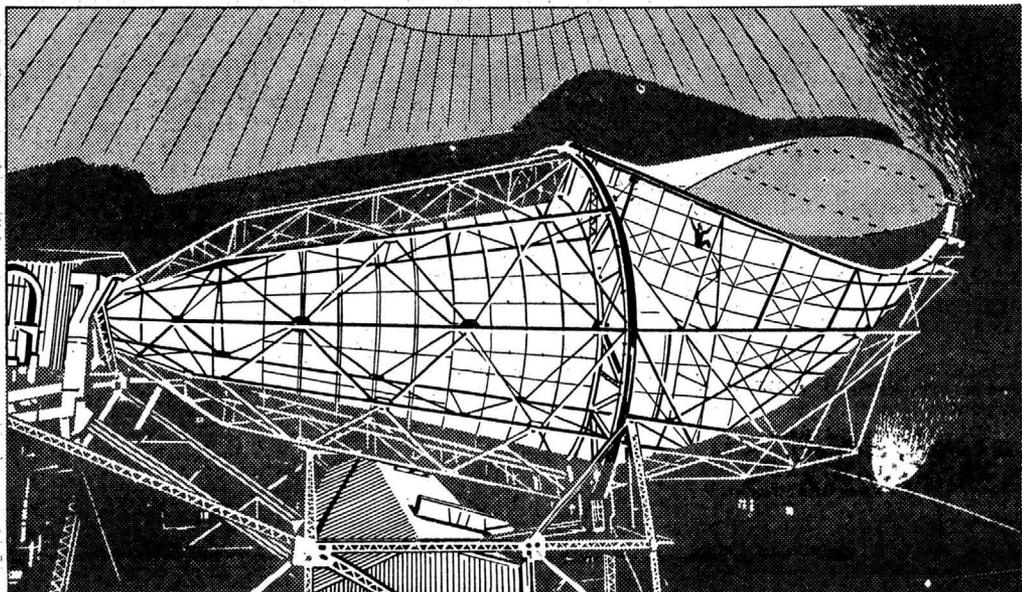
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The ground stations in the U.S. now being used for Telstar were built by the Bell System at Andover, Maine, and Holmdel, New Jersey. Organizations abroad have built stations in England and France. The latter, a near replica of the station in Maine, was assembled with Bell System cooperation. A receiving station in Italy will be ready late this year, and another in West Germany next year.

Telstar is a first major experimental step toward a world-wide satellite communications system that was first proposed as a practical venture at Bell Telephone Laboratories. Progress toward such a system has depended on many contributions by the private communications industry, including six basic components—the transistor, the solar battery, the traveling wave tube, ruby masers, the waveguide, and new antennas for the ground stations with innovations in circuitry—direct outgrowths of Bell System research and development.

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BY JOHN DUTTON

Investors Arise!

The cornerstone of any sound investment business is the customer who buys securities for income and long-term capital gains. The cornerstone of any sound us. Few of them, however, are qualified to undertake intelligent buying and "short selling" in the two-way street called the stock market. Human nature behaves the same—over and over again. Investors are motivated by opinion makers as well as the amateur speculators. Only a few security salesmen can control their accounts. They are forced by public opinion to sell stocks that are too high in price to their customers at times when they should not be bought.

People say, "The time to buy stocks is when they are cheap, but it takes 'guts' to do it." Analyze this statement and you will see that what they mean is that it takes strength of will to buck the trend and disbelieve all the manufactured pap that is constantly poured forth by politicians (who like an advancing stock-market); promoters of companies who wisely prefer to sell shares in ventures when people are brave and foolish enough to buy them; and insiders who wish to sell out at high prices so they split their stocks, increase dividends and the gullible public thinks that two shares of stock at fifty are better than one at a hundred. Secondaries come forth by the score; insiders again, who know that they are obtaining a high price for a minority of their holdings in many companies, and who see the market tottering, offer brokers a special commission to move these shares which they cannot sell in the open market.

This is all part of the recurring pattern of "bull markets" that a free economy provides—and no one puts a gun in your ribs and compels you to sell overpriced stocks to your customers (if you are a salesman), nor are you forced to hold on to such shares if you own them. It's a free market, a free country, and the majority of people seem to like it this

way, or they wouldn't continually make the same foolish mistakes over and over again.

But There Are Investors

After a storm and a panic, things quiet down. They always do. The pieces are picked up and we play the game over again. In every community, there is also a minority of opinion that does not get excited. Most of these people are in the categories of retired individuals who are living on their income; business men with a sound portfolio of securities, investors in contractual mutual fund plans and mutual funds in general, large foundations, Trust Funds, Institutional investors, and occasionally you can include a career man or woman who knows what they are doing and who have been accumulating sound common stocks for years. In this group you will find the people who will look over the financial page with a smile on their face when they see the headlines on the front page telling the story of billions being wiped out in the stock market. As prices recede, they sense the opportunity to buy more income with less capital investment. They are interested in what the postman brings them in the form of checks, not how many points some stock went up or down today or tomorrow. These are the people you want for clients. I have a few of these accounts. One retired lady asks me to figure out how much income she receives every year. She never asks me to tell her the market value of her entire holdings—she doesn't care. What she wants is checks—consistently and regularly. When I make a trade for her I tell her what to buy and what to sell. The other day she asked me, "why?" I answered, "I think it is the prudent thing to do". She replied, "Then do it." This is a customer! I'd like to have a hundred like her. I'd sit up nights trying to select only the soundest and the best securities for them, then I'd try to buy them when they cost 25% less than they did.

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Notice the brevity of this message, the emphasis on quality, on more income, on the fact that clients have improved their position. This, my friends is advertising; to the point and constructive. This office was open on Saturday during a period when people were complaining about the market. Here's an investment firm that said, "Come and get them—now's your opportunity—to buy more income for fewer dollars." And isn't that the time to tell your customers to BUY?

N. Y. Analysts to Hear

On Monday, July 16, Sol Kittay, President and Chairman of The B.V.D. Company, Inc., will be guest speaker at the regular luncheon meeting of the New York Society of Security Analysts.

With Van Horne Inv.

(Special to THE FINANCIAL CHRONICLE)
OMAHA, Neb.—Bill B. Beavers has become connected with Van Horne Investments, Inc., Farm Credit Building.

Joins Kemper Staff

(Special to THE FINANCIAL CHRONICLE)
DAYTON, Ohio—Theodore R. Shaman is now with John A. Kemper & Co. of Lima. Mr. Shaman was formerly with the Dayton office of Westheimer and Company.

Joins Merrill Lynch

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Philip H. De Roulet has become affiliated with Merrill Lynch, Pierce, Fenner & Smith Inc., 523 West Sixth Street. He was formerly with Eastman Dillon, Union Securities & Co.

With F. I. duPont

John C. Marrinan has joined Francis I. duPont & Co., One Wall Street, New York City, members of the New York Stock Exchange, as a Registered Representative. He was formerly with the Wall Street Journal.

Form Management Assoc.

WAUKESHA, Wis.—Management Associates, Inc., has been formed with offices at 383 West Main St., to engage in a securities business. Officers are Richard F. Emiling, President; Robert J. Rasmussen, Vice-President and Treasurer; and S. L. Jacques, Secretary.

Now Webster & Gibson

NASHVILLE, Tenn.—The firm name of Webster, Gibson & Hale, 400 Union Street, has been changed to Webster & Gibson.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Stocks of Smaller New England Utilities Offer Attractive Yields

High grade utility equities still yield less than bonds even after the recent big decline in the market; the 24 electric utility common stocks included in the Moody Index yield only about 3.73%, and the ten gas distribution stocks 3.77%. Only the ten gas transmission stocks afford a substantial yield—5.07%—principally because regulatory problems have raised doubts regarding the safety of some of the dividend rates. Meanwhile, bond yields have declined somewhat to about a 4.35%-4.50% basis (excluding bonds rated Baa and lower).

However, investors who are willing to go into the byways to find attractive yields (well above those of high grade bonds) can obtain them in some of the smaller New England utility stocks, listed in the accompanying table. It is true that some of these stocks have rather poor Over-the-Counter markets, but nevertheless, with a little patience the careful investor should be able to accumulate a group of five or ten issues which would afford an average yield of 5%, or close to that level.

Moreover, while most of these stocks do not have exciting "growth" records most of them have good dividend records. Probably the best is Providence Gas which has paid a dividend in every year since 1849. Moreover, the price-earnings ratios of these issues are quite low, ranging from 13.6 to 19.3, and averaging about 15.8. Prior to the decline, 125 electric utility stocks had an average P-E ratio around 24 but this has now declined to less than 19.

New England is noted for its financial stability. It is true that many textile and shoe plants have migrated to the south but their place has been taken by a great number of small companies in the machinery and electronics industries. Scientific research also makes New England its headquarters and with the huge government expenditures in science, research has become big business. We comment briefly on the companies listed in the table.

Central Maine Power serves some two-thirds of the population in Maine. Return on rate base was low for some years, but rate increases raised earnings sharply in 1960-61 and last year there were two increases in the dividend rate.

Central Vermont Public Service serves over half the population of Vermont as well as a small portion of New Hampshire. Earnings have been irregular, with moderate gains over the earnings level of 1950-53. While farming is important in Vermont, recreation brings in substantial revenues, and light manufacturing is well diversified.

Eastern Utilities Associates is a holding company controlling Blackstone Valley Gas & Electric, Brockton Edison, Fall River Electric, and (indirectly) Montaup Electric. The service area covers northern Rhode Island and areas in Massachusetts, total population served being 526,000. Earnings are expected to improve substantially this year over last year's \$2.70. Dividends have been paid since 1928. The system earns a fairly high percentage on rate base—6.7% last year.

Green Mountain Power, about half as large as Central Vermont Public Service, serves some 120 communities in Vermont, mainly in the northern part of the state. The company obtains a substantial amount of hydro power from the St. Lawrence Power Project. Earnings have been irregular but increased from 65c in 1951 to 91c last year.

Maine Public Service supplies electricity to 67 communities in the northeastern part of Maine, including the "potato county" of Aroostook. While earnings in some past years have been somewhat irregular, there were sharp gains in the past year and a half, and the dividend was increased, largely as the result of rate increases effective late in 1960. The stock was split 13 for 10 in 1961.

Berkshire Gas supplies natural gas in resort areas of Massachusetts including Lenox, Stockbridge, etc. Population served is about 155,000. The company late in 1960 was granted an automatic adjustment rate clause permitting price increases to be passed on to customers. The dividend was increased in December, 1961.

Bridgeport Gas supplies gas to a population of 270,000 in Connecticut, natural gas being obtained from Tennessee Gas Transmission. Share earnings have been irregular in recent years, but the dividend rate has been increased three times since 1955.

Hartford Gas serves a population in Hartford and neighboring towns with a population of some 360,000. Gas is obtained from Algonquin Gas Transmission. Share earnings have been somewhat irregular, but have increased in recent years.

Haverhill Gas serves Haverhill and a number of other communities in Massachusetts, population area being about 100,000. Gas is obtained from Tennessee Gas Transmission. Share earnings have shown good gains over the past decade, and the stock was split 2½-for-1 in 1956.

New Haven Gas Company supplies gas to New Haven and neighboring communities in Connecticut. The company buys natural gas from Algonquin and mixes it with coke-oven gas. The earnings record has been generally favorable though earnings have declined slightly in the past two years.

Providence Gas is chiefly distinguished for its long dividend record as noted above. Share earnings have remained irregular, recent earnings being the same as those of 1948.

Revenues (Millions)	Electric	Recent Price About	Divid. Rate	Approx. Yield	Recent Earnings	Price-Earnings Ratio	Dividend Payout
\$13	Central Main Power*	35	\$1.60	4.8%	\$2.15	14.8	74%
13	Central Vermont P. S.*	22	1.08	4.9	1.36	16.1	79
40	Eastern Util. Assoc.*	43	2.20	5.1	2.81	14.5	78
7	Green Mt. Power*	16	.80	5.0	.91	17.6	85
6	Maine Public Service†	20	1.00	5.0	1.35	15.6	74
Gas							
3	Berkshire Gas*	21	1.10	5.2	1.47	13.6	75
9	Bridgeport Gas†	32	1.68	5.3	1.81	17.7	93
10	Hartford Gas*	57	2.60	4.6	2.89	19.3	89
4	Haverhill Gas*	30	1.60	5.3	2.00	15.0	80
9	New Haven Gas*	41	2.00	4.9	2.85	14.0	70
13	Providence Gas†	11	.56	5.1	.73	15.1	77

*Over-Counter. †American Exchange.

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THE SECURITY I LIKE BEST . . .

Continued from page 2

July of 1961 and has an indicated sales potential for 1962 around \$15 million—close to that figure was accompanied in 1961—although less than half was reflected in Air Brake's sales last year. The profit contribution of B-I-F in 1961, however, was small since the consolidation took place late in the year.

Air Brake has always refused to break down sales by divisions, pleading the somewhat threadbare competitive factor, but the large volume of sales is undoubtedly in pumps and hydraulics produced by the Aurora and B-I-F Divisions. Smaller, but very promising are the Kinney Vacuum Division and, last year's acquisition, Feedback Controls. High vacuum technology has become an increasingly important adjunct to many manufacturing operations, and space technology and electronics alone offer exciting prospects for the future. Through Kinney, Air Brake has become a leader in the field of high vacuum technology since the late 1940s at which time Kinney was probably the industry leader in sales of mechanical pumps. Industry participation was further broadened when Kinney acquired the Optical Film Engineering Co. and its line of high vacuum diffusion pumps and allied equipment. Future sales potential in this field seems outstanding.

Feedback Controls, Inc., which was acquired in January 1961, is

still small and about 25% of this division's present sales are to the government but the future seems bright. The Feedback Division manufactures highly sophisticated automatic controls including analog computers, servo components and proprietary servomechanical instrument systems. The Feedback Control technique is now being used on the Pacific Missile Range and a contract to supply antenna drives for the satellite communication system is promising. Although the Feedback Control Division will probably remain small saleswise, it does provide the parent company with the technical ability to offer complete automatic system packages in a wide field of electric and electronic servo technology.

Dynapower, the New York Air Brake designed and engineered hydro-static transmission system, is just beginning to show its sales potential. Blaw Knox has converted its transit cement mix equipment to dynapower and at the present time, 28 additional manufacturers are testing prototype dynapower transmission systems on specific products. The unit is a system of transmitting hydraulic power from an engine by means of high pressure pumps through high pressure lines to the point of use in the vehicle. The major field of application is for off-road vehicles such as tractors, bulldozers, scrapers, forklift trucks and similar equipment. Since dynapower was developed late in

1961, production orders this early are a significant accomplishment and offer considerable hope for substantial sales over the longer term.

New York Air Brake entered 1962 with a characteristic strong balance sheet. Working capital of \$18.1 million was equal, after deduction for minor long term debt of \$1.7 million, to over \$22 a share on the 746,441 shares of common stock now outstanding. Additions to plant and acquisition of new equipment have been held within depreciation allowance despite some rather substantial improvement at several divisions of the company. Cash and government securities at the year-end were over \$5 million and the current ratio was 4.5:1. On present prospects, no need for outside financing is indicated and eventual realization of earnings at above the \$3 level could certainly support a higher dividend payout than the present \$1.60 a share indicated annual rate.

To review the past without a look to the future would be largely academic and even though forecasting is hazardous in an uncertain economy, Air Brake would appear to have a bright future. Sales for 1962 with no help from the less dynamic divisions, seem certain to exceed the \$50 million level, since B-I-F alone should add around \$15 million to over-all sales. Even assuming no better than last year's 10% pre-tax margin, somewhat below the company's 10-year average, earnings could substantially better the previous record of \$3.19 a share earned in 1957.

For the first quarter ended March 31, 1962, sales nearly doubled the \$9.3 million in the initial period of 1961 and profits of 63 cents a share were more than twice the 28 cents earned in the same period. Sales and earnings progress should continue over the balance of the year even assuming no increase in demand from the railroad car builders. However, this less dynamic and cyclical industry could experience some improvement over the depressed level of 1961 in which year only about 35,000 new railroad cars were built. General economic improvement now forecast for 1962 will, if realized, exert pressure on the railroads to add to already dangerously depleted rolling equipment and indications from industry sources now estimate close to 50,000 new railroad cars will be built in 1962. Since Air Brake showed profits in the brake division even in 1961 on reduced volume, such improvement in the current year could have a very favorable effect on profits.

The common stock of New York Air Brake, listed on the NYSE, at current levels does not appear to be fully reflecting the changed aspect of the company nor the growth potential in some of its newer product lines. Selling at less than 10 times a reasonable estimate of profits for 1962—and this figure could be \$4 if railroad equipment demand improved—providing nearly a 6% return from a well covered dividend, above average market appreciation in the stock is deemed likely if the general market improves. Purchase is recommended for even the highest type of investment accounts.

Calif. Investors Add

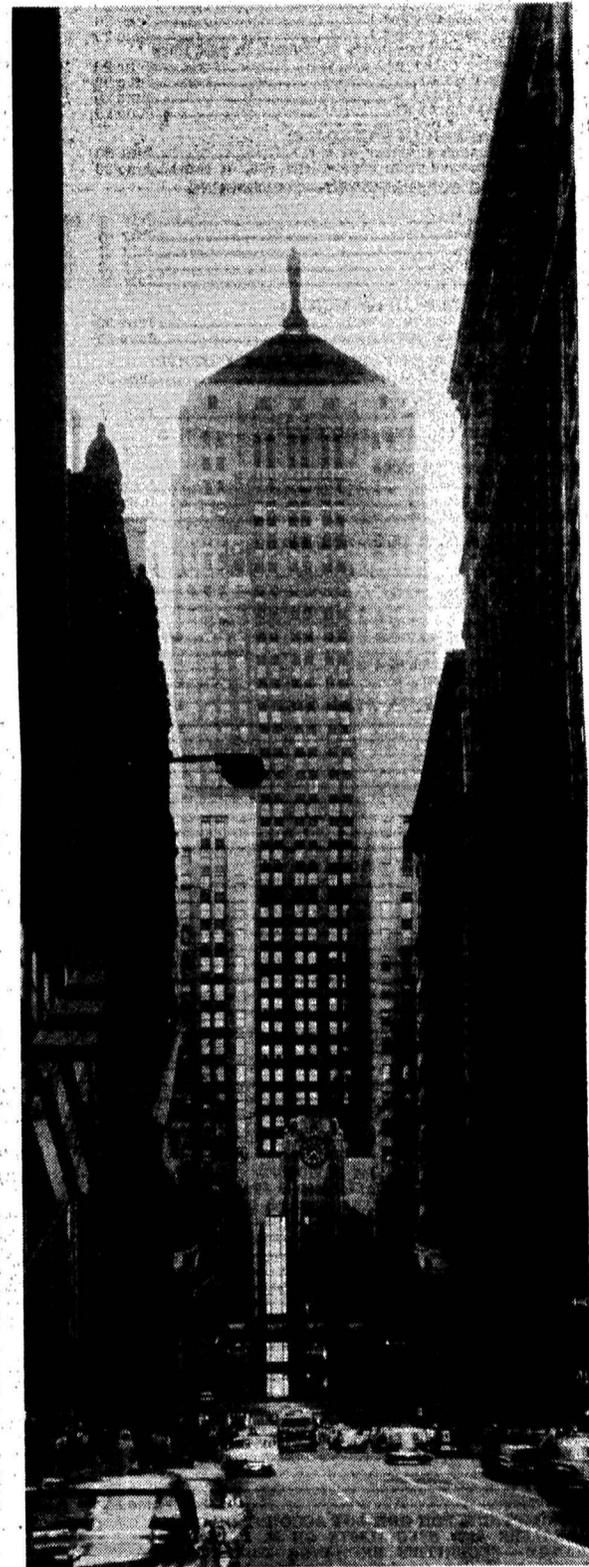
SHERMAN OAKS, Calif.—James E. Clinton has become affiliated with California Investors, 14306 Ventura Boulevard. He was previously with Shearson, Hammill & Co.

Westheimer Branch Opened

MARIEMONT, Ohio—Westheimer & Company has opened a branch office at 6829 Wooster Pike under the management of Roy E. Rife.

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.

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Indications of Current Business Activity

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

	Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:				
Indicated steel operations (per cent capacity).....	July 7	42.5	51.5	60.9
Equivalent to.....				
Steel ingots and castings (net tons).....	July 7	1,239,000	1,501,000	1,580,000
AMERICAN PETROLEUM INSTITUTE:				
Crude oil and condensate output—daily average (bbbls. of 42 galls. each).....	June 29	7,260,260	7,284,360	7,218,060
Crude runs to stills—daily average (bbbls.).....	June 29	8,635,000	8,645,000	8,614,000
Gasoline output (bbbls.).....	June 29	30,957,000	31,341,000	30,477,000
Kerosene output (bbbls.).....	June 29	2,830,000	2,767,000	2,497,000
Distillate fuel oil output (bbbls.).....	June 29	13,652,000	14,177,000	13,420,000
Residual fuel oil output (bbbls.).....	June 29	6,014,000	5,072,000	5,103,000
Stocks at refineries, bulk terminals, in transit, in pipe lines.....				
Finished gasoline (bbbl.) at.....	June 29	187,271,000	190,810,000	192,032,000
Kerosene (bbbls.) at.....	June 29	29,682,000	29,425,000	26,883,000
Distillate fuel oil (bbbls.) at.....	June 29	118,005,000	115,219,000	102,959,000
Residual fuel oil (bbbls.) at.....	June 29	44,726,000	43,747,000	41,662,000
ASSOCIATION OF AMERICAN RAILROADS:				
Revenue freight loaded (number of cars).....	June 30	589,656	592,708	530,829
Revenue freight received from connections (no. of cars).....	June 30	484,559	497,706	479,171
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:				
Total U. S. construction.....	July 5	\$543,800,000	\$448,000,000	\$486,600,000
Private construction.....	July 5	168,100,000	126,300,000	299,300,000
Public construction.....	July 5	375,700,000	321,700,000	187,300,000
State and municipal.....	July 5	245,700,000	205,900,000	151,000,000
Federal.....	July 5	130,000,000	115,800,000	36,300,000
COAL OUTPUT (U. S. BUREAU OF MINES):				
Bituminous coal and lignite (tons).....	June 30	9,195,000	9,500,000	8,200,000
Pennsylvania anthracite (tons).....	June 30	332,000	326,000	312,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100:				
June 30	130	135	137	125
EDISON ELECTRIC INSTITUTE:				
Electric output (in 000 kwh.).....	July 7	15,442,000	16,520,000	15,876,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.:				
July 5	284	302	306	220
IRON AGE COMPOSITE PRICES:				
Finished steel (per lb.).....	June 29	6.196c	6.196c	6.196c
Pig iron (per gross ton).....	June 29	\$66.44	\$66.44	\$66.44
Scrap steel (per gross ton).....	June 29	\$25.17	\$24.83	\$24.50
METAL PRICES (E. & M. J. QUOTATIONS):				
Electrolytic copper.....				
Domestic refinery at.....	July 4	30.600c	30.600c	30.600c
Export refinery at.....	July 4	28.250c	28.250c	27.800c
Lead (New York) at.....	July 4	9.500c	9.500c	11.000c
Lead (St. Louis) at.....	July 4	9.300c	9.300c	10.800c
Zinc (delivered) at.....	July 4	12.000c	12.000c	12.000c
Zinc (East St. Louis) at.....	July 4	11.500c	11.500c	11.500c
Aluminum (primary pig, 99.5% at.....	July 4	24.000c	24.000c	26.000c
Straits tin (New York) at.....	July 4	112.000c	112.250c	115.750c
MOODY'S BOND PRICES DAILY AVERAGES:				
U. S. Government Bonds.....	July 10	87.61	87.94	89.52
Average corporate.....	July 10	87.05	87.13	87.72
Aaa.....	July 10	91.19	91.48	91.91
Aa.....	July 10	88.95	89.09	89.78
A.....	July 10	86.78	86.91	87.32
Baa.....	July 10	81.66	81.78	82.27
Railroad Group.....	July 10	83.53	83.66	84.30
Public Utilities Group.....	July 10	89.09	89.23	89.23
Industrials Group.....	July 10	88.54	88.81	89.78
MOODY'S BOND YIELD DAILY AVERAGES:				
U. S. Government Bonds.....	July 10	3.98	3.94	3.73
Average corporate.....	July 10	4.63	4.62	4.58
Aaa.....	July 10	4.33	4.31	4.28
Aa.....	July 10	4.49	4.48	4.43
A.....	July 10	4.65	4.64	4.61
Baa.....	July 10	5.05	5.04	5.00
Railroad Group.....	July 10	4.90	4.89	4.84
Public Utilities Group.....	July 10	4.48	4.47	4.47
Industrials Group.....	July 10	4.52	4.50	4.43
MOODY'S COMMODITY INDEX:				
July 10	368.7	371.0	363.6	370.9
NATIONAL PAPERBOARD ASSOCIATION:				
Order received (tons).....	June 30	326,698	360,643	337,569
Production (tons).....	June 30	361,631	358,562	335,511
Percentage of activity.....	June 30	99	97	91
Unfilled orders (tons) at end of period.....	June 30	450,536	482,717	460,264
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100:				
July 6	115.40	115.27	112.21	113.90
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS				
Transactions of specialists in stocks in which registered				
Total purchases.....	June 15	4,221,590	3,684,730	3,015,140
Short sales.....	June 15	754,260	891,340	796,100
Other sales.....	June 15	3,231,730	2,545,460	2,637,870
Total sales.....	June 15	3,985,990	3,436,800	3,433,970
Other transactions initiated off the floor—				
Total purchases.....	June 15	635,310	459,620	334,670
Short sales.....	June 15	115,620	88,700	79,300
Other sales.....	June 15	541,330	368,060	323,930
Total sales.....	June 15	656,950	456,760	403,230
Other transactions initiated on the floor—				
Total purchases.....	June 15	1,284,598	1,108,792	828,859
Short sales.....	June 15	169,460	187,243	191,920
Other sales.....	June 15	1,071,083	982,067	871,209
Total sales.....	June 15	1,240,543	1,169,310	1,063,129
Total round-lot transactions for account of members—				
Total purchases.....	June 15	6,141,498	5,253,142	4,178,669
Short sales.....	June 15	1,039,340	1,167,283	1,069,320
Other sales.....	June 15	4,844,143	3,895,587	3,833,009
Total sales.....	June 15	5,883,483	5,062,870	4,900,329
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.....	June 15	2,584,011	2,355,046	2,264,698
Dollar value.....	June 15	\$137,945,360	\$108,777,755	\$127,561,320
Odd-lot purchases by dealers (customers' sales) —				
Number of orders—customers' total sales.....	June 15	2,294,052	1,799,392	1,721,165
Customers' short sales.....	June 15	153,083	111,944	60,162
Customers' other sales.....	June 15	2,140,969	1,687,448	1,661,003
Dollar value.....	June 15	\$135,923,674	\$99,877,176	\$95,481,176
Round-lot sales by dealers—				
Number of shares—Total sales.....	June 15	630,470	418,160	424,155
Short sales.....	June 15	630,470	418,160	424,155
Other sales.....	June 15	977,452	1,124,950	927,380
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.....	June 15	2,171,940	2,024,130	1,467,370
Short sales.....	June 15	26,008,830	19,815,190	18,725,000
Total sales.....	June 15	28,180,770	21,839,320	20,192,370
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):				
Commodity Group—				
All commodities.....	July 3	100.1	100.1	100.0
Farm products.....	July 3	95.6	95.0	94.8
Processed foods.....	July 3	100.0	100.1	99.6
Meats.....	July 3	94.5	95.8	93.2
All commodities other than farm and foods.....	July 3	100.7	100.8	100.7

	Latest Month	Previous Month	Year Ago
BUILDING CONSTRUCTION—U. S. DEPT. OF LABOR—Month of June (in millions):			
Total new construction.....	5,836	5,312	5,301
Private construction.....	4,127	3,815	3,690
Residential buildings (nonfarm).....	2,512	2,306	2,138
New housing units.....	1,725	1,513	1,407
Additions and alterations.....	678	691	632
Nonhousekeeping.....	109	102	99
Nonresidential buildings.....	971	894	900
Industrial.....	235	229	219
Commercial.....	433	383	401
Office buildings and warehouses.....	208	198	196
Stores, restaurants, and garages.....	225	185	205
Other nonresidential buildings.....	303	282	280
Religious.....	82	77	81
Educational.....	50	47	47
Hospital and institutional.....	79	75	66
Social and recreational.....	68	62	62
Miscellaneous.....	24	21	24
Farm construction.....	137	124	156
Public utilities.....	484	470	473
Telephone and telegraph.....	84	85	80
Other public utilities.....	400	385	393
All other private.....	23	21	23
Public construction.....	1,709	1,497	1,611
Residential buildings.....	79	82	72
Nonresidential buildings.....	462	433	468
Industrial.....	44	35	48
Educational.....	264	246	274
Hospital and institutional.....	34	34	31
Administrative and service.....	57	56	61
Other nonresidential buildings.....	63	62	54
Military facilities.....	135	119	136
Highways.....	657	509	574
Sewer and water systems.....	156	152	140
Sewer.....	96	92	82
Water.....	60	60	58
Public service enterprises.....	44	42	59
Conservation and development.....	142	126	129
All other public.....	34	34	33
BUILDING PERMIT VALUATION — DUN & BRADSTREET, INC.—217 CITIES—Month of May:			
New England.....	\$41,410,193	\$37,782,132	\$27,901,287
Middle Atlantic.....	95,594,011	100,813,700	246,839,509
South Atlantic.....	64,942,856	57,194,660	59,224,342
East Central.....	112,811,949	108,960,258	138,783,728
South Central.....	147,985,246	115,231,203	136,952,995
West Central.....	52,516,700	55,094,237	55,951,858
Mountain.....	47,203,879	36,498,090	28,516,562
Pacific.....	159,842,665	135,050,341	150,967,922
Total United States.....	\$722,307,499	\$645,624,321	\$684,238,203
New York City.....	\$2,078,175	\$2,158,010	\$179,626,987
Total outside New York City.....	\$670,229,324	\$594,466,311	\$664,612,116
COKE (BUREAU OF MINES)—Month of May:			
Production (net tons).....	4,522,681	5,003,573	4,328,180
Oven coke (net tons).....	4,453,160	4,927,657	4,249,388
Beehive coke (net tons).....	69,521	75,916	78,792
Oven coke stocks at end of month (net tons).....	3,773,953	3,650,930	4,571,890
DEPARTMENT STORE SALES—FEDERAL RESERVE SYSTEM—1947-49 Average=100—Month of June:			
Adjusted for seasonal variation.....	154	160	149
Without seasonal adjustment.....	146	155	141
METAL PRICES (E. & M. J. QUOTATIONS)—June:			
Copper—			
Domestic refinery (per pound).....	30.600c	30.600c	30.605c
Export refinery (per pound).....	28.571c	28.545c	28.701c
London, prompt (per long ton).....	\$234.125	\$234.190	\$236.483
Three months, London (per long ton).....	\$230.675	\$232.239	\$239.545
Lead—			
Common, New York (per pound).....	9.500c	9.500c	11.000c
Common, East St. Louis (per pound).....	9.300c	9.300c	10.800c
London, prompt (per long ton).....	\$87.719	\$89.818	\$84.699
Three months, London (per long ton).....	\$87.947	\$89.802	\$85.943
Zinc—			
East St. Louis (per pound).....	11.500c	11.500c	11.500c
Prime Western, delivered (per pound).....	12.000c	12.000c	12.000c
London, prompt (per long ton).....	\$66.994	\$68.440	\$79.045
London, three months (per long ton).....	\$67.841	\$69.370	\$80.054
Silver and Sterling Exchange—			
Silver, New York (per ounce).....	102.274c	101.500c	91.375c
Silver, London (per ounce).....	85.669d	84.375d	79.375d
Sterling, Exchange (check).....	\$2.80828	\$2.81213	\$2.78981
Tin, New York Straits.....	113.173c	117.273c	114.648c
Gold (per ounce U. S. price).....	\$35.000	\$35.000	\$35.000
Quicksilver (per flask of 76 pounds).....	\$192.000	\$192.000	\$200.455
Antimony—			
New York, boxed (per pound).....	36.250c	36.250c	36.250c
Laredo, bulk (per pound).....	32.500c	32.500c	32.500c
Laredo, boxed (per pound).....	33.000c	33.000c	33.000c
Aluminum—			
99% grade ingot weighted avge. (per lb.).....	24.000c	24.000c	26.000c
99% grade primary pig export.....	22.500c	22.500c	23.250c
Nickel.....	79.000c	80.739c	74.330c
Bismuth (per pound).....	\$2.25	\$2.25	\$2.25
Platinum, refined (per pound).....	\$82.000	\$82.000	\$82.000
Cadmium (per pound, delivered ton lots).....	\$1.75000	\$1.75000	\$1.70000
(Per pound, small lots).....	\$1.80000	\$1.80000	\$1.60000

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.

★ Abbott Realty Fund, Inc.

June 29, 1962 filed 380,000 class A common. Price—\$10. **Business**—Real estate ownership and management. **Proceeds**—For debt repayment and general corporate purposes. **Office**—292 Madison Ave., N. Y. **Underwriters**—Morris Cohon & Co. and Street & Co., Inc., N. Y.

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. (8/1-3)

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. **Note**—This statement was withdrawn.

Adtek, Inc.

May 21, 1962 ("Reg. A") 100,000 common. Price—\$1.15. **Business**—A general advertising and technical publishing service. **Proceeds**—For salaries, sales promotion and working capital. **Office**—Statler Bldg., Park Sq., Boston. **Underwriter**—Paisley & Co., Inc., 120 Broadway, N. Y. **Offering**—Expected in late August.

Advance Mortgage Corp.

April 27, 1962 filed 200,000 common. Price—By amendment. **Business**—The making and servicing of real estate first mortgage loans. **Proceeds**—For debt repayment. **Office**—First National Bank Bldg., Detroit. **Underwriter**—Shields & Co., N. Y.

Aerial Control Geotronics

May 28, 1962 ("Reg. A") 100,000 common. Price—\$3. **Business**—Application of electronic and air photography developments in the field of geodetic surveying and regional mapping. **Proceeds**—For debt repayment, equipment and working capital. **Office**—2412 S. Garfield Ave., Monterey Park, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Aerodyne Controls Corp.

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 180,000 common, of which 90,000 will be sold for company and 90,000 for stockholders. Price—By amendment. **Business**—Manufacture 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**—Clayton Securities Corp., Boston. **Note**—This offering has been postponed.

Air Reduction Co., Inc.

April 27, 1962 filed \$44,546,300 of conv. subord. debentures due 1987 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 10 shares held. Price—By amendment. **Business**—Production of oxygen, acetylene and other gases, welding tools and related equipment. **Proceeds**—For debt repayment and expansion. **Office**—150 E. 42nd St., New York. **Underwriters**—Kidder, Peabody & Co. and Dean Witter & Co., N. Y. **Offering**—Indefinitely postponed.

Air-Tech Industries, Inc.

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.

Oct. 27, 1961 ("Reg. A") 120,000 common. Price—\$2.50. **Business**—Distributor of pens and other advertising material. **Proceeds**—For working capital. **Office**—11608 Ventura Blvd., Studio City, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif. **Offering**—Imminent.

Alaska Pacific Lumber Co.

Nov. 17, 1961 filed 250,000 common. Price—\$5.75. **Business**—A lumber company. **Proceeds**—For construction and working capital. **Office**—614 Equitable Bldg., Portland, Ore. **Underwriter**—Dempsey-Tegeler & Co., Inc., St. Louis. **Note**—This registration was temporarily postponed.

Alcolac Chemical Corp.

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. **Offering**—Indefinitely postponed.

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.

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.

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.

AlSCO Electronics, Inc. (9/4-7)

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.

Amerel Mining Co. Ltd.

July 31, 1961 filed 400,000 common shares. Price—50¢. **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 Hallowell, 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. (8/6)

March 26, 1962 filed 548,532 common to be offered for subscription by stockholders on the basis of 3.6 new shares for each share held. Price—By amendment (max. \$5). **Business**—Transportation, distribution and sale of gas. **Proceeds**—For debt repayment and expansion. **Office**—546 S. 24th Ave., Omaha. **Underwriter**—Crutten-den, Podesta & Miller, Chicago.

American Kosher Provisions, Inc.

June 25, 1962 filed 130,000 common. Price—\$5. **Business**—Manufacture and sale of a variety of kosher and non-kosher meat and meat products. **Proceeds**—For debt repayment, expansion and working capital. **Office**—39 Norman Ave., Brooklyn, N. Y. **Underwriter**—Willard Securities, Inc., N. Y.

American Laboratories, Inc.

Feb. 28, 1962 filed 200,000 common. Price—By amend-(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.

● American Modular Manufacturing Corp.

(7/23-27)
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

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 Pacific Fund, Inc.

July 9, 1962 filed 94,500 common. Price—Net asset value. **Business**—An open-end management company specializing in life, health, casualty and accident insurance. **Proceeds**—For investment. **Office**—1523 Kalakaua Ave., Honolulu. **Underwriter**—None.

American Phoenix Corp.

Jan. 24, 1962 filed 315,000 class A shares. Price—\$10. **Business**—General real estate. **Proceeds**—For corporate

Continued on page 30

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Continued from page 29

purposes. Office—320 Park Ave., N. Y. Underwriter—Interamerica Securities Corp., N. Y.

American Plan Corp.

March 30, 1962 filed \$2,480,000 of convertible debentures due 1982 and 248,000 common shares (of which 218,000 will be sold for the company and 30,000 for stockholders). The securities will be offered in units of one \$10 debenture and one share. Price—By amendment (max. \$22.50 per unit). Business—Production and servicing of physical damage insurance on automobiles, trucks and mobile homes. Proceeds—To purchase American Fidelity Fire Insurance Co. Office—American Plan Bldg., Westbury, N. Y. Underwriter—Bear, Stearns & Co., N. Y.

American 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 Strategic Minerals Corp.

July 9, 1962 filed 400,000 common. Price—By amendment (max. \$3). Business—Company plans to explore for strategic minerals. Proceeds—For debt repayment, exploration and working capital. Office—527 Falling Bldg., Portland, Ore. Underwriter—To be named.

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.

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. Note—This registration is being withdrawn.

Angier 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.

Arde Inc.

March 30, 1962 filed 100,000 common, of which 80,000 are to be sold by the company and 20,000 by stockholders. Price—By amendment (max. \$8.50). Business—Research, development and engineering under defense contracts. Proceeds—Repayment of bank loans, equipment, plant expansion and working capital. Office—Paramus, N. J. Underwriter—McDonnell & Co., N. Y.

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. Slauson 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.

Aries Corp.

June 27, 1962 filed 200,000 common. Price—\$1.15. Business—Company plans to provide consulting services in the area of programming, applications engineering, and operations analysis. Proceeds—For working capital. Office—7722 Morgan Ave., So., Minneapolis. Underwriter—Bratter & Co., Inc., Minneapolis.

★ Arnold, Hoffman & Co., Inc.

June 28, 1962 ("Reg. A") 4,367 common to be offered for subscription by stockholders on the basis of one new

share for each three held of record July 20, 1962. Price—\$7.50. Business—Manufacture and sale of chemicals. Proceeds—For expansion and working capital. Office—55 Canal St., Providence, R. I. Underwriter—None.

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.

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. Offering—Indefinitely postponed.

Atlanta Gas Light Co. (7/25)

June 29, 1962 filed \$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. EDT) at 90 Broad St. (19th floor), New York. Information Meeting—July 23 (11 a.m. EDT) at same address.

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 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. EDT) at Irving Trust Co., One Wall St., N. Y. Information Meeting—July 16 (11 a.m. EDT) 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.

Aubrey Manufacturing, Inc. (8/27-31)

March 28, 1962 filed 140,004 common, of which 100,000 shares are to be offered by company and 40,004 by stockholders. Price—By amendment (max. \$7). Business—Design, manufacture and sale of kitchen range hoods, exhaust fans and kitchen cabinet hardware. Proceeds—For plant expansion, equipment, debt repayment and working capital. Office—South Main St., Union, Ill. Underwriters—Pierce, Carrison, Wulbern, Inc., Jacksonville, Fla. and A. M. Kidder & Co., Inc., N. Y.

Automatic Controls, Inc. (8/20-24)

Dec. 28, 1961 filed 50,000 common. Price—\$4. Business—Design, manufacture and installation of electrical, pneumatic, hydraulic and mechanical systems, controls and devices to control and automatically operate industrial machinery and processes. Proceeds—For general corporate purposes. Office—3601 Merrick Rd., Seaford, N. Y. Underwriter—S. Schramm & Co., Inc., N. Y.

Automatic Marker Photo Corp.

Dec. 1, 1961 filed 150,000 class A shares, of which 125,000 are to be offered by the company and 25,000 by stockholders. Price—By amendment. Business—Sale and distribution of a photocopy machine and supplies. Proceeds—For equipment, expansion, and working capital. Office—153 W. 36th St., N. Y. Underwriter—None.

Automatic Merchandising, Inc.

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

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

Avis, Inc.

June 22, 1962 filed \$1,497,300 of subordinated convertible debentures due 1972 and 499,101 common to be offered for subscription by stockholders on the basis of \$100 of debentures for each 100 shares held and one new share for each three shares held. Price—For debentures, at par; for common, \$5. Business—Rental and leasing of automobiles and trucks. Proceeds—For debt repayment, construction and relocation, and working capital. Office—18 Irvington St., Boston. Underwriter—None.

★ 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.

Baltimore Gas & Electric Co.

June 22, 1962 filed \$25,000,000 of first refunding mortgage sinking fund bonds, due 1992. Proceeds—For debt repayment and construction. Office—Lexington and Liberty Sts., Baltimore, Md. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.—First Boston Corp. (jointly); Harriman Ripley & Co., Inc.—Alex. Brown & Sons (jointly). Offering—Expected sometime in July.

Bank "Adanim" Mortgages & Loan Ltd.

Dec. 29, 1961 filed \$556,000 of 6% cumulative preference dividend participating dollar-linked shares. Price—By amendment. Business—A mortgage lending company. Proceeds—For general corporate purposes. Address—108 Achad Haam St., Tel-Aviv, Israel. Underwriter—Adanim American Israel Investment Co., Inc.

Barish Associates, Inc.

Sept. 1, 1961 ("Reg. A") 50,000 common. Price—\$4. Business—Aeronautical research and development. Proceeds—For working capital. Office—224 E. 88th St., N. Y. Underwriter—Gianis & Co., N. Y. Offering—Postponed.

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.

★ Basic Properties, Inc.

June 29, 1962 filed 400,000 class A common. Price—By amendment (max. \$12). Business—Real estate investment. Proceeds—For debt repayment, acquisition of a building and other corporate purposes. Office—521 Fifth Ave., N. Y. Underwriter—Hornblower & Weeks, 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 field 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.

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—370 Chancellor Ave., Newark, N. J. Underwriter—Seymour Blauer 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.

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. Note—This letter is being withdrawn.

Berne of California, Inc.

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. Note—This registration was withdrawn.

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.

March 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.

Cable Carriers, Inc.

June 22, 1962 filed 1,015,564 capital shares to be offered for subscription by stockholders on the basis of four new shares for each share held on Feb. 14, 1962. Price—25 cents. Business—Manufacture and sale of overhead trolley conveyers, vertical tray lift systems, floor and overhead tow systems, etc. Proceeds—For working capital. Office—Kirk Blvd., Greenville, S. C. Underwriter—None.

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—220 E. 23rd St., N. Y. Underwriter—Phillips, Rosen & Appel, N. Y.

Cambridge Fund of California, Inc.

Sept. 28, 1961 filed 280,000 common. Price—By amendment. Business—General real estate. Proceeds—Debt repayment and working capital. Office—324 E. Bixby Rd., Long Beach, Calif. Underwriter—To be named.

Cameo Lingerie, Inc. (9/4-7)

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.

Career Academy, Inc.

June 29, 1962 filed 100,000 common. Price—By amendment (max. \$3.25). Business—Operation of technical schools. Proceeds—For debt repayment, expansion and general corporate purposes. Office—135 W. Wells St., Milwaukee. Underwriter—Divine & Fishman, Inc., Chi.

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¢. Business—For exploration, development and production of mineral deposits. Proceeds—For mining expenses. Address—Box 469, Wallace, Idaho. Underwriters—Penaluna & 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. Note—This registration was withdrawn.

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 Coating Corp.

June 29, 1962 filed 70,000 common. Price—\$5. Business—Company plans to operate a painting contracting business and manufacture paints. Proceeds—For general corporate purposes. Office—Santurce, P. R. Underwriter—Arnold Malkan Investment Growth of Puerto Rico, Inc., Santurce, P. R.

Chestnut Hill Industries, Inc.

Nov. 29, 1961 filed 300,000 class A common, of which 225,000 are to be offered by the company and 75,000 by stockholders. Price—\$7.50. Business—Design and manufacture of women's, misses' and junior sportswear, coordinates, and dresses. Proceeds—For debt repayment, equipment and working capital. Office—2025 McKinley St., Hollywood, Fla. Underwriter—Clayton Securities Corp., Boston, Mass. Offering—Expected in September.

Child Guidance Toys, Inc.

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

Chomerics, Inc.

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

Cincinnati & Suburban Bell Telephone Co. (7/25)

July 6, 1962 filed \$20,000,000 of debentures due Aug. 1, 2002. Proceeds—To reimburse treasury for construction expenditures and repay borrowings from banks and A. T. & T., (owner of 29% of outstanding stock). Office—225 East Fourth St., Cincinnati. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc.; White, Weld & Co. Bids—Expected July 25 (11 a.m. EDST) at 195 Broadway, 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 being offered for subscription by common stockholders on the basis of \$150 of debentures for each 100 shares held of record July 5 with rights to expire July 22, 1962. 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.

College Publishing Corp. (8/1-3)

March 10, 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., New York.

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.

Columbia Gas System, Inc. (8/1)

June 22, 1962 filed \$20,000,000 of debentures due 1987. Proceeds—To refund \$17,560,000 of outstanding 5½% series H debentures, due June 1, 1982, and increase working capital. Office—120 E. 41st St., N. Y.—Underwriters—(Competitive) Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-White, Weld & Co. (jointly); Morgan Stanley & Co.-First Boston Corp. (jointly); Halsey, Stuart & Co. Inc. Bids—Expected Aug. 1, 1962 (11 a.m. EDST) at the company's office.

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 administra-

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tion 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. (7/23-25)

Dec. 29, 1961 filed 100,000 class A common. **Price**—\$5. **Business**—Development and sale of advanced programming systems, for solution of business problems by the use of digital computers. **Proceeds**—For general corporate purposes. **Office**—1012 14th St., N. W., Washington, D. C. **Underwriter**—Doft & Co., N. Y.

Computer Control Co., Inc.

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.

Concord Products, Inc.

Nov. 23, 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.

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.

Consumers Mart of America, Inc.

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. (9/10-14)

March 30, 1962 filed 475,000 common. **Price**—By amendment (max. \$15). **Business**—A telephone holding company. **Proceeds**—For debt repayment. **Office**—111 S. Bemiston St., St. Louis. **Underwriters**—Allen & Co. and E. F. Hutton & Co., N. Y.

ControlDyne, Inc.

Oct. 24, 1961 filed 150,000 common. **Price**—\$1.15. **Business**—Development and production of electronic testing and training devices. **Proceeds**—For expansion and working capital. **Office**—9340 James Ave., S., Minneapolis. **Underwriter**—E. Bruce Co., Minneapolis. **Note**—This firm formerly was named Control Dynamics, Inc. **Offering**—Indefinitely postponed.

Cooke (F. L.), Inc.

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. **Offering**—Expected in early Fall.

Corporate Funding Corp.

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. **Offering**—Indefinitely postponed.

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. (7/17)

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

Cousins Properties Inc.

March 29, 1962 filed \$1,000,000 of 6½% subordinated debentures due 1972, 60,000 common shares, and warrants to purchase 20,000 common shares. The securities will be offered in units of one \$100 debenture, 6 shares and a warrant to purchase 2 shares. **Price**—By amendment (max. \$140). **Business**—Engaged in residential real estate development. **Proceeds**—For debt repayment and other corporate purposes. **Office**—905 Fifteen Peachtree Bldg., Atlanta, Ga. **Underwriters**—McDonnell & Co., Inc., N. Y., and Wyatt, Neal & Waggoner, Atlanta.

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.

C-Thru Products, Inc.

June 22, 1962 ("Reg. A") 90,000 common. **Price**—\$1.50. **Business**—Design and manufacture of flexible, re-usable vinyl packages. **Proceeds**—For debt repayment, sales promotion, equipment, research and development, and working capital. **Office**—2401 Pacific St., Brooklyn, N. Y. **Underwriter**—Broadwall Securities, Brooklyn, N. Y.

D. C. Transit Systems, Inc.

April 30, 1962 filed \$6,250,000 of 6½% conv. subord. debentures due 1977 and five-year warrants to purchase an aggregate of 187,500 class A shares, to be offered for subscription by holders of class A and class B stock in units consisting of \$100 of debentures and three warrants. **Price**—\$100 per unit. **Business**—Operation of a public transit system in Washington, D. C.; a new subsidiary to construct housing projects in Washington, D. C. **Proceeds**—For construction and general corporate purposes. **Office**—3600 M St., N. W., Washington, D. C. **Underwriter**—None.

Data Systems Devices of Boston, Inc.

April 26, 1962 filed 200,000 common. **Price**—\$5. **Business**—Company plans to design, develop and produce electronic and electro-mechanical devices, including printers for electronic computers. **Proceeds**—For product development, new plant and equipment and working capital. **Office**—342 Western Ave., Boston. **Underwriter**—Schmidt, Sharp, McCabe & Co., Inc., Denver.

Davos, Inc.

May 28, 1962 ("Reg. A") 35,000 common. **Price**—\$6.50. **Business**—Development and operation of a ski resort. **Proceeds**—For debt repayment and working capital. **Office**—232 Madison Ave., N. Y. **Underwriter**—Oxford Securities Corp., N. Y.

Decorative Interiors, Inc.

Feb. 26, 1962 ("Reg. A") 52,000 class A common. **Price**—\$2.50. **Business**—Manufacture of draperies, furniture and bed spreads for hotels and institutions. **Proceeds**—For expansion and other corporate purposes. **Office**—1191 N. W. 22nd St., Miami, Fla. **Underwriter**—Lancer Securities Co., 92 Liberty St., N. Y.

Decorel Corp.

Dec. 29, 1961 filed 120,000 common, of which 90,000 are to be offered by the public and 30,000 by a stock-

holder. **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. (7/23-27)

Feb. 27, 1962 filed 102,000 common. **Price**—\$3. **Business**—Production of graded diamond powder and compound. **Proceeds**—For debt repayment, additional personnel, advertising and working capital. **Office**—77 Searing Ave., Mineola, N. Y. **Underwriter**—Magnus & Co., N. Y.

Diamond Mills Corp.

Jan. 23, 1962 filed 200,000 common, of which 120,000 are to be offered by the company and 80,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of women's nylon hosiery. **Proceeds**—For debt repayment and working capital. **Office**—417 Fifth Ave., N. Y. **Underwriter**—Drexel & Co., Philadelphia. **Offering**—Indefinitely postponed.

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.

Diversified Realty Investors

June 28, 1962 filed 1,900,000 certificates of interest. **Price**—\$1 per interest. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—19 E. First South, Salt Lake City. **Underwriter**—Realty Securities, Inc., Salt Lake City.

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**—1115 Broadway, N. Y. **Underwriter**—Goodbody & Co., N. Y. **Note**—This offering has been temporarily postponed.

Drever Co.

March 9, 1962 filed 122,700 common, of which 42,500 are to be offered by company and 80,200 by stockholders. **Price**—By amendment (max. \$12). **Business**—Design and manufacture of industrial metallurgical furnaces. **Proceeds**—For debt repayment, equipment and general corporate purposes. **Address**—Red Lion Rd., and Philmont Ave., Bethayres, Pa. **Underwriters**—Janney, Battles & E. W. Clark, Inc. and Stroud & Co., Philadelphia.

Drew Properties Corp.

March 6, 1962 filed 173,000 class A. **Price**—\$10. **Business**—General real estate. **Proceeds**—For debt repayment. **Office**—50 Broad St., N. Y. **Underwriter**—Jackson Capital Corp., 400 Madison Ave., New York.

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.

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. **Note**—This registration is being withdrawn.

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. (8/6)

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.

Dynamic L. P. Industries, Inc.
June 21, 1962 filed 75,000 common. Price—\$4. Business—manufacturing, labeling and packaging of long playing stereophonic and monaural phonograph records for label record companies. Proceeds—For equipment and working capital. Office—900 Passaic Ave., East Newark, N. J. Underwriter—Mortimer B. Burnside & Co., Inc., New York.

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.
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.

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NEW ISSUE CALENDAR

July 13 (Friday)	
Bacardi Corp. Common	(Eastman Dillon, Union Securities & Co.) \$1,750,000
July 16 (Monday)	
Jayark Films Corp. Common	(Pacific Coast Securities Co.) 72,000 shares
July 17 (Tuesday)	
Courtesy Products Corp. Common	(Pacific Coast Securities Co.) 150,000 shares
Missouri Power & Light Co. Bonds	(Bids 11 a.m. EDT) \$6,000,000
Southern Railway Co. Equip. Trust Cdfs.	(Bids 12 noon EDT) \$9,450,000
July 18 (Wednesday)	
Atlantic City Electric Co. Bonds	(Bids 11 a.m. EDT) \$15,000,000
Vendex, Inc. Common	(Pacific Coast Securities Co.) \$300,000
Western Power & Gas Co. Preferred	(Paine, Webber, Jackson & Curtis) 150,000 shares
July 19 (Thursday)	
Rochester Telephone Corp. Debentures	(Bids 11 a.m. EDT) \$12,000,000
July 20 (Friday)	
West Falls Shopping Center Limited Partnership Units	(Hodgdon & Co., Inc.) \$444,000
July 23 (Monday)	
American Modular Manufacturing Corp. Common	(Equity Securities Co.) \$500,000
Computer Concepts Inc. Common	(Dott & Co.) \$500,000
DeLuxe Homes, Inc. Common	(Alessandrini & Co., Inc.) \$300,000
Diamond Dust Co., Inc. Common	(Magnus & Co.) \$306,000
Electromagnetics Corp. Common	(Glanis & Co., Inc.) \$375,000
Kapner, Inc. Common	(Arnold, Wilkens & Co., Inc.) \$250,000
Martin (L. P.) Maintenance Corp. Common	(Johnson, Lane Space Corp.) \$500,000
Met Food Corp. Common	(Brand, Grumet & Siegel, Inc.) 34,200 shares
Met Food Corp. Debentures	(Brand, Grumet & Siegel, Inc.) \$1,500,000
Midwestern Mortgage Investors Ben. Ints.	(Boettcher & Co.) \$5,000,000
National Equipment & Plastics Corp. Common	(Cortlandt Investing Corp.) \$525,000
Orion Electronics Corp. Common	(A. D. Gilhart & Co., Inc.) \$350,000
Roblin Seaway Industries, Inc. Debentures	(Brand, Grumet & Siegel, Inc.) \$1,000,000
Saw Mill River Industries, Inc. Common	(Arnold Malkan & Co., Inc.) \$500,000
Servotronics, Inc. Capital	(General Securities Co., Inc.) \$375,000
Skiers Service Corp. Common	(Pacific Coast Securities Co.) 550,000 shares
Stephens (M.) Mfg., Inc. Capital	(Thomas Jay, Winston & Co., Inc. and I. J. Schein & Co.) \$300,000
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 24 (Tuesday)	
International Protein Corp. Common	(Arnold Malkan & Co., Inc.) \$450,000
Montebello Liquors, Inc. Common	(Street & Co., and Morris Cohon & Co.) 160,000 shares
Radio Electric Service Co. of New Jersey, Inc. Common	(Lee-Mosson & Co., Inc.) \$300,000

July 25 (Wednesday)	
Atlanta Gas Light Co. Debentures	(Bids 11 a.m. EDT) \$7,500,000
Cincinnati & Suburban Bell Telephone Co. Debs.	(Bids 11 a.m. EDT) \$20,000,000
Ellner & Pike, Inc. Common	(Reed, Whitney & Stonehill, Inc.) \$300,000
Fastpak, Inc. Common	(Arnold Malkan & Co., Inc.) \$625,000
General Motors Corp. Common	(Morgan Stanley & Co.) 1,589,680 shares
Virginia Electric & Power Co. Preferred	(Merrill Lynch, Pierce, Fenner & Smith, Inc. and Stone & Webster Securities Corp.) 300,000 shares
July 30 (Monday)	
Barogenics, Inc. Common	(Globus, Inc.) \$750,000
Electromagnetic Industries, Inc. Common	(Pierce, Carrison, Wulburn, Inc.) 70,000 shares
Electromagnetic Industries, Inc. Conv. Debentures	(Pierce, Carrison, Wulburn, Inc.) \$250,000
Esslinger's Industries of Philadelphia, Inc. Com.	(Woodcock, Moyer, Fricke & French, Inc.) \$900,000
Esslinger's Industries of Philadelphia, Inc. Debs.	(Woodcock, Moyer, Fricke & French, Inc.) \$850,000
First Connecticut Small Business Investment Co. Common	(P. W. Brooks & Co.) 200,000 shares
Houston Lighting & Power Co. Bonds	(Bids 12 Noon EDT) \$25,000,000
Instromech Industries, Inc. Common	(Price Investing Co.) \$300,000
Plantation Patterns, Inc. Common	(Godfrey, Hamilton, Taylor & Co., Inc.) \$500,000
Roadcraft Corp. Common	(Vickers, MacPherson & Warwick, Inc.) 400,000 shares
Security Aluminum Corp. Common	(Vickers, MacPherson & Warwick, Inc.) 200,000 shares
Spears (L. B.), Inc. Common	(Arnold Malkan & Co., Inc.) \$325,000
Steel Plant Equipment Corp. Common	(Joseph W. Hurley & Co.) \$208,980
Thompson Manufacturing Co., Inc. Common	(Packer-Wilbur Co., Inc.) \$360,000
Walston Aviation, Inc. Common	(White & Co., Inc.) \$562,500
July 31 (Tuesday)	
Electronic Transmission Corp. Common	(V. S. Wickett & Co., Inc.; Thomas, Williams & Lee, Inc. and Crosse & Co., Inc.) \$375,000
Florida Power & Light Co. Bonds	(Bids 11:30 a.m. EDT) \$25,000,000
Gaslight Club, Inc. Common	(Myron A. Lomasney & Co.) 100,000 shares
Worth Financial Corp. Common	(D. A. Bruce & Co.) \$305,000
August 1 (Wednesday)	
Admiral Automotive Products, Inc. Common	(Baruch Brothers & Co., Inc.) \$400,000
College Publishing Corp. Common	(James Co.) \$155,000
Columbia Gas System, Inc. Debentures	(Bids 11:00 a.m. EDT) \$20,000,000
General Investment Co. of Connecticut, Inc. Com.	(Ingram, Lambert & Stephen, Inc. and Reuben Rose & Co., Inc.) \$1,500,000
Kreedman Realty & Construction Corp. Units	(Lee Higginson Corp.) 200,000 units
Oceana International, Inc. Common	(Baruch Brothers & Co., Inc.) \$825,000
Regulators, Inc. Common	(Myron A. Lomasney & Co.) \$375,000
August 2 (Thursday)	
Belt Railway Co. of Chicago Bonds	(Bids to be received) \$38,000,000
August 6 (Monday)	
American Gas Co. Common	(Offering to stockholders—underwritten by Crutenden, Podesta & Miller) 548,532 shares
Dyna Mfg. Co. Common	(Raymond Moore & Co.) \$300,000
Founders Financial Federation, Inc. Class A	(Edward Lewis Co., Inc.) \$810,000
Four Star Sportswear, Inc. Common	(Magnus & Co., Inc.) \$309,000

Laminetics Inc. Common	(Fabricant Securities Corp.) \$280,000
RF Interonics, Inc. Common	(Arnold Malkan & Co.) \$200,000
Sperti Products, Inc. Common	(Blair & Co.) 230,000 shares
August 7 (Tuesday)	
Southwestern Bell Telephone Co. Debentures	(Bids to be received) \$100,000,000
August 9 (Thursday)	
Universal Industries, Inc. Common	(Edward Lewis Co., Inc.) \$500,000
August 13 (Monday)	
Lesco Automotive Corp. Common	(M. H. Meyerson & Co., Inc.) \$300,000
Lewiston-Gorham Raceways, Inc. Units	(P. W. Brooks & Co.) \$1,000,000
Unison Electronics Corp. Common	(Gateway Stock & Bond, Inc.) \$150,000
August 15 (Wednesday)	
Worcester Gas Light Co. Bonds	(Bids 11:30 a.m.) \$5,000,000
August 16 (Thursday)	
Duke Power Co. Bonds	(Bids 11 a.m. EDT) \$50,000,000
August 20 (Monday)	
Automatic Controls, Inc. Common	(S. Schramm & Co., Inc.) \$200,000
Bruce (Michael) Distributors, Inc. Common	(Glanis & Co., Inc.) \$500,000
Optech, Inc. Common	(Stone, Ackerman & Co., Inc. and Heritage Equity Corp.) \$480,000
August 21 (Tuesday)	
Public Service Electric & Gas Co. Bonds	(Bids 11 a.m. EDT) \$40,000,000
August 27 (Monday)	
Aubrey Manufacturing, Inc. Common	(Pierce, Carrison, Wulburn, Inc. and A. M. Kidder & Co., Inc.) 140,004 shares
Massachusetts Electric Co. Bonds	(Bids 12 noon EDT) \$60,000,000
Massachusetts Electric Co. Preferred	(Bids 12 noon EDT) \$7,500,000
August 28 (Tuesday)	
Southern California Edison Co. Bonds	(Bids 8:30 a.m. Calif. Time) \$50,000,000
August 29 (Wednesday)	
Iowa Public Service Co. Common	(Offering to stockholders—Bids 11 a.m. EDT) 320,468 shares
September 4 (Tuesday)	
Alco Electronics, Inc. Class A	(Albert Teller & Co., Inc. and H. A. Riecke & Co., Inc.) \$300,000
Cameo Lingerie, Inc. Common	(Schweickart & Co.) \$1,000,000
Hydro-Swarf, Inc. Common	(Raymond Moore & Co.) \$485,000
Metropolitan Realty Trust Ben. Int.	(Eisele & King, Libraire Stout & Co.) \$6,500,000
September 10 (Monday)	
Continental Telephone Co. Common	(Allen & Co. and E. F. Hutton & Co.) 475,000 shares
Grand Bahama Development Co., Ltd. Common	(Allen & Co.) 250,000 shares
Jaap Penratt Associates, Inc. Common	(R. F. Dowd & Co., Inc.) \$300,000
September 11 (Tuesday)	
Pacific Northwest Bell Telephone Co. Bonds	(Bids to be received) \$50,000,000
Southern Railway Co. Equip. Trust Cdfs.	(Bids 12 noon EDT) \$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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• 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. Note—This statement was withdrawn.

Electromagnetic Industries, Inc. (7/30-31)

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 purposes. Office—Sawyer Lane, Hudson, Mass. Underwriter—Gianis & Co., Inc., N. Y.

Electronic Transmission Corp. (7/31)

March 22, 1962 filed 125,000 common. Price—\$3. Business—Manufacture and distribution of components for background music; design, construction and installation of specialized closed circuit TV system. Proceeds—For debt repayment, expansion, sales promotion and working capital. Office—103 E. Hawthorne Ave., Valley Stream, N. Y. Underwriters—V. S. Wickett & Co., Inc., Thomas, Williams & Lee, Inc., and Crosse & Co., Inc., N. Y.

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. (7/25)

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 6¾% 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. (7/30)

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.

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.

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. Offering—Postponed.

Falcon National Life Insurance Co.

June 25, 1962 filed 300,000 common to be offered for subscription by stockholders on the basis of one new

share for each three shares held. Price—\$1.20. Business—Life insurance. Proceeds—For investments. Office—1330 Leyden St., Denver. Underwriter—None.

Fastpak, Inc. (7/25-27)

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.

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.

First Colorado Bankshares Inc.

June 29, 1962 filed 37,000 common. Price—By amendment (max. \$15). Business—A bank holding company. Proceeds—For capital funds, reserves and working capital. Office—3311 S. Broadway, Englewood, Colo. Underwriter—Bosworth, Sullivan & Co., Inc., Denver.

• First Connecticut Small Business Investment Co. (7/30-31)

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 Income Realty 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. Note—This company formerly was known as Perpetual Investment Trust.

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 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.

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 Jai Alai, Inc.

June 28, 1962 filed 400,000 common. Price—\$5. Business—Operation of Jai Alai games and pari-mutuel betting. Proceeds—For rent, purchase of leased quarters, building improvements, working capital. Office—Fern Park, Fla. Underwriter—To be named.

Florida Power & Light Co. (7/31)

June 26, 1962 filed \$25,000,000 first mortgage bonds, due 1992. Proceeds—For retirement of outstanding 5¼% first mortgage bonds, due 1989, plus premium and accrued interest, and construction. Office—Ingraham Bldg., 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). Information Meeting—July 30 at 2 Rector St., N. Y.

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.

Floesal 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.

• Founders Financial Federation, Inc. (8/6-10)

May 4, 1962 filed 135,000 class A. Price—\$6. Business—Commercial financing, industrial time sales financing and factoring. Proceeds—For working capital. Office—440 W. 34th St., N. Y. Underwriter—Edward Lewis Co., Inc., N. Y.

• Four Star Television, Inc.

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., New York.

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. Note—This statement will be withdrawn.

Frazier-Walker Aircraft Corp.

Jan. 26, 1962 filed 140,000 common. Price—By amendment. Business—Company plans to produce its Gyrojet FW-4, a four-passenger amphibious autogiro. Proceeds—To produce prototype models, and finance general overhead and operating expenses. Office—10 E. 52nd St., N. Y. Underwriter—None.

• Frederick's of Hollywood, Inc.

March 26, 1962 filed 150,000 capital shares, of which 70,000 are to be offered by company and 80,000 by a stockholder. Price—\$5. Business—Operation of a mail order business and a chain of women's apparel stores. Proceeds—For expansion and other corporate purposes. Office—6608 Hollywood Blvd., Los Angeles. Underwriter—Garat & Polonitz, Inc., Los Angeles.

Frouge Corp.

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.

Fund Investments, Inc.

June 28, 1962 filed 80,000 class B common. Price—\$5. Business—Retailing of mutual fund shares. Proceeds—For working capital and debt repayment. Office—1301 E. Morehead St., Charlotte, N. C. Underwriter—None.

G. M. S. Stores Inc.

April 30, 1962 filed 140,000 common. Price—\$4. Business—Operation of discount centers. Proceeds—For expansion. Office—19 W. 34th St., N. Y. Underwriter—Preiss, Cinder & Hoffman, Inc., N. Y.

Gabriel Industries, Inc.

March 30, 1962 filed 100,000 class A common shares. Price—By amendment (max. \$11). Business—Design, manufacture and distribution of toys and sporting goods. Proceeds—For debt repayment. Office—184 Fifth Ave., N. Y. Underwriter—Hemphill, Noyes & Co., N. Y.

★ Gamma Corp.

June 29, 1962 filed 80,000 common and 80,000 five-year warrants to be offered in units consisting of one share and one warrant. Price—\$4.50 per unit. Business—Design, manufacture and sale of ladies' handbags and related items. Proceeds—For a new plant, sales promotion and working capital. Office—288 Plymouth Ave., Fall River, Mass. Underwriter—Hampstead Investing Corp., New York.

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. (7/31)

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.
(8/1-3)

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 Motors Corp. (7/25)

July 10, 1962 filed 1,589,680 common. **Price**—By amendment (max. \$52). **Proceeds**—For selling stockholders. **Office**—1775 Broadway, N. Y. **Underwriter**—Morgan Stanley & Co., 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.

Gillfillan Corp.

April 4, 1962 filed 254,000 common. **Price**—By amendment (max. \$18). **Business**—Development and production of radar and other specialized electronic systems. **Proceeds**—For selling stockholders. **Office**—1815 Venice Blvd., Los Angeles. **Underwriter**—Blyth & Co., Inc., Los Angeles.

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.

Glensder Corp.

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**—Spravregen, Haft & Co., N. Y. **Offering**—Indefinitely postponed.

Global Construction Devices, Inc.

June 29, 1962 filed 100,000 common. **Price**—\$10. **Business**—Manufacture, sale and lease of steel supports and beams used in construction. **Proceeds**—For debt repayment, expansion, research, and inventory. **Office**—545 Cedar Lane, Teaneck, N. J. **Underwriters**—Winslow, Cohu & Stetson and Laird, Bissell & Meeds, 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.

Goldsmith Bros.

June 29, 1962 filed 125,000 common, of which 62,500 are to be offered by company and 62,500 by stockholders. **Price**—By amendment (max. \$8). **Business**—Retail sale of stationery office supplies and department store merchandise. **Proceeds**—For expansion and working capital. **Office**—77 Nassau St., N. Y. **Underwriter**—Federman, Stonehill & 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. **Un-**

derwriters—Leiberbaum & Co. and Morris Cohon & Co., New York.

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.

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.

Grand Bahama Development Co., Ltd.
(9/10-14)

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 26, 1962 ("Reg. A") 60,000 class A common. **Price**—\$5. **Business**—Company plans to establish an industrial bank and an insurance agency. **Proceeds**—For working capital, debt repayment and expansion. **Office**—368 Main St., Longmont, Colo. **Underwriter**—Birkenmayer & Co., Denver.

Greater McCoy's Markets, Inc.

June 28 1962 filed 219,150 class A common. **Price**—By amendment (max. \$14). **Business**—Operation of 16 supermarkets in the Los Angeles area. **Proceeds**—For selling stockholders. **Office**—17602 Bellflower Blvd., Bellflower, Calif. **Underwriter**—Morris Cohon & Co., New York.

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.

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**—400 Chillum Place, N. W., Washington, D. C. **Underwriter**—Shell Associates, Inc., New York. **Note**—This registration was withdrawn.

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.

Hallandale Rock & Sand Co.

March 30, 1962 filed \$250,000 of 8% subordinated debentures due 1977, 200,000 common and 6-year warrants to purchase 25,000 common at \$1 per share to be offered in

units consisting of a \$10 debenture, 8 common shares and one warrant. **Price**—\$18 per unit. **Business**—Extraction, processing and sale of rock and sand. **Proceeds**—For a new plant and other corporate purposes. **Address**—Hallandale, Fla. **Underwriter**—Mutch, Khanbegian, Flynn & Green, Inc., 115 Broadway, N. Y.

Halo Lighting, Inc.

Mar. 27, 1962 filed 300,000 common, of which 100,000 will be sold by the company and 200,000 by a stockholder. **Price**—By amendment. **Business**—Manufacture of recessed incandescent lighting fixtures. **Proceeds**—For general corporate purposes. **Office**—Chicago, Ill. **Underwriter**—R. W. Pressprich & Co., N. Y. **Offering**—Temporarily postponed.

Halsey Drug Co.

March 30, 1962 filed 79,500 common. **Price**—\$4. **Business**—Manufacture, packaging and sale of proprietary drug products. **Proceeds**—For debt repayment, expansion and other corporate purposes. **Office**—1827 Pacific St., Brooklyn, N. Y. **Underwriters**—Packer-Wilbur & Co., Inc., and Alessandrini & Co., Inc., N. Y.

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, candles and greeting cards through franchised dealers. **Proceeds**—For equipment, inventory and working capital. **Office**—11 Tenth Ave., S., Hopkins, Minn. **Underwriter**—None.

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.

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

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.

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.

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.

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Continued from page 35:

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.
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.
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.

★ **Houston Lighting & Power Co. (7/30)**
July 9, 1962 filed \$25,000,000 of first mortgage bonds due 1992. Proceeds—For repayment of bank loans and construction. 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.; Blyth & Co., Inc.—First Boston Corp.—Lazard Freres & Co. (jointly). Bids—July 30, 1962 (12 noon EDT) at 2 Rector St., N. Y. Information Meeting—July 27 in Room 2044, same address.

● **Hydro-Swarf, Inc. (9/4)**
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.

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, ex-

pansion and working capital. Office—1801 Dorchester Rd., Brooklyn, N. Y. Underwriter—Crow, Brouman & Chatkin, Inc., N. Y.

● **Index & Retrieval Systems, Inc.**
Jan. 29, 1962 filed 125,000 common. Price—By amendment. Business—Publishes "The Financial Index" and other indexes and abstracts. Proceeds—For equipment, promotion, office relocation, and working capital. Office—19 River St., Woodstock, Vt. Underwriter—Searight, Ahalt & O'Connor, Inc., N. Y. Offering—Indefinitely postponed.

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. (7/30)
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.

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. (7/24)**
Jan. 26, 1962 filed 90,000 common. Price—\$5. Business—Distributes fishmeal and animal by-product proteins. Proceeds—For expansion, machinery, and working capital. Office—233 Broadway, N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y. Note—This firm formerly was named Marine & Animal By-Products Corp.

International Realty Corp.
April 27, 1962 filed \$18,000,000 of s. f. debentures due 1977, 360,000 common shares and five year warrants to purchase 540,000 common shares to be offered in 180,000 units, each unit consisting of \$100 of debentures, two common shares and warrants to purchase three additional shares. Price—By amendment (max. \$110 per unit). Business—Real estate investment. Proceeds—For debt repayment, construction, and other corporate purposes. Office—919 N. Michigan Ave., Chicago. Underwriter—Kidder, Peabody & Co., N. Y.

International Systems Research Corp.
March 30, 1962 filed 110,000 class A common and 9-month warrants to purchase 110,000 class A shares at \$4 per share, to be offered in units, each consisting of one share and one warrant. Price—\$4 per unit. Business—Design, development and manufacture of mechanical, electro-mechanical and electronic equipment for government agencies and the military. Proceeds—For equipment, debt repayment and working capital. Office—Engineer's Hill, Plainview, L. I., N. Y. Underwriter—International Services Corp., Clifton, N. J.

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—Droun, Lampert & Co., Inc., New York.

★ **International Vending Corp.**
June 27, 1962 ("Reg. A") 60,000 class A common. Price—\$5. Business—Installation and servicing of coin-operated vending machines. Proceeds—For debt repayment, consolidation of offices and working capital. Office—1028 Commonwealth Ave., Boston, Mass. Underwriter—Gianis & Co., Inc., N. Y.

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. Offering—Indefinitely postponed.

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.

★ **Iowa Public Service Co. (8/29)**
July 3, 1962 filed 320,468 common to be offered for subscription by stockholders on the basis of one new share for each 10 held of record Aug. 28. Price—By amendment. Proceeds—For debt repayment, and construction. Office—Orpheum-Electric Bldg., Sioux City, Iowa. 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—Aug. 29 (11 a.m. EDT), Fourth Floor, 40 Wall St., N. Y. Information Meeting—Aug. 23 (11 a.m. EDT) at same address.

Jaap Penraat Associates, Inc. (9/10)
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 for common). Business—Operation of a chain of retail department stores. Proceeds—For debt repayment and working capital. Office—29 N. W. 10th St., Miami, Fla. Underwriter—Clayton Securities Corp., Boston. 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, Hamill & Co., N. Y. Note—This offering was temporarily postponed.

Jayark Films Corp. (7/16-20)
Aug. 24, 1961 filed 72,000 common, of which 50,000 are to be offered by the company and 22,000 by stockholders. Price—By amendment. Business—The distribution of motion picture and television films. Proceeds—For production of films and working capital. Office—15 E. 48th St., N. Y. Underwriter—Pacific Coast Securities Co., San Francisco.

Jaylis Industries, Inc.
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.

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 236, Saltsburg, Pa. **Underwriter**—Arthurs, Lestrangle & Co., Pittsburgh.

Joanell Laboratories, Inc.

Dec. 21, 1961 filed 114,500 common, of which 32,500 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**—Seagraves, Ahalt & O'Connor, Inc., N. Y. **Offering**—Indefinitely postponed.

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.

Kaltman (D.) & Co., Inc.

June 28, 1962 filed \$1,650,000 of conv. subord. debentures due 1977 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 100 shares held. **Price**—At par. **Business**—Operation of a wholesale drug business. **Proceeds**—For debt repayment and working capital. **Office**—425 Park Ave., N. Y. **Underwriter**—None.

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.

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.

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.

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**—Supple, 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.

(8/1-3)
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., New York.

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. (8/6-10)

March 22, 1962 filed 80,000 common. **Price**—\$3.50. **Business**—Production and sale of gift sets, linens, place mats, etc. **Proceeds**—For equipment, moving expenses, sales promotion and other corporate purposes. **Office**—20 W. 27th St., N. Y. **Underwriter**—Fabrikant Securities Corp., N. Y.

Lee Fashions, Inc.

Dec. 27, 1961 filed 163,667 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).

Lembo Corp.

Dec. 21, 1961 filed 100,000 common. **Price**—\$3.50. **Business**—Manufactures steel re-inforced concrete utilities, sanitary structures, fallout shelters and play sculptures. **Proceeds**—For debt repayment, sales promotion and working capital. **Office**—145 W. 11th St., Huntington Station, L. I., N. Y. **Underwriter**—Blank, Lieberman & Co., Inc., New York.

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

• Lesco Automotive Corp. (8/13-17)

June 28, 1962 ("Reg. A") 50,000 common. **Price**—\$6. **Business**—Company buys and sells automotive parts. **Proceeds**—For debt repayment and general corporate

purposes. **Office**—430 Hegeman Ave., Brooklyn, N. Y. **Underwriter**—M. H. Meyerson & Co., Inc., New York.

Lesser (Louis) Enterprises, Inc.

March 30, 1962 filed 1,000,000 class A common. **Price**—\$10. **Business**—Real estate management and construction. **Proceeds**—For debt repayment and general corporate purposes. **Office**—8737 Wilshire Blvd., Beverly Hills, Calif. **Underwriters**—Morris Cohon & Co. and Leiberbaum & Co., N. Y.

Levine's, Inc.

March 19, 1962 filed 80,000 common. **Price**—By amendment (max. \$17.50). **Business**—Operation of a chain of clothing and dry goods stores. **Proceeds**—For selling stockholders. **Office**—8908 Ambassador Row, Dallas. **Underwriter**—Kidder, Peabody & Co., N. Y. **Offering**—Indefinitely postponed.

Lewis (Tillie) Foods, Inc.

April 9, 1962 filed \$4,000,000 of 5½% convertible subordinated debentures due 1977. **Price**—At par. **Business**—Processing, canning, bottling and selling of fruits and vegetables. **Proceeds**—For debt repayment and working capital. **Office**—Fresno Ave. & Charter Way, Stockton, Calif. **Underwriter**—Van Alstyne, Noel & Co., N. Y.

Lewiston-Gorham Raceways, Inc. (8/13-16)

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. Bishins Bldg., Riverside Ave., New Bedford, Mass. **Underwriter**—J. R. Williston & Beane, N. Y. **Offering**—Temporarily postponed.

Lincoln Fund, Inc.

March 30, 1961 filed 951,799 shares of common stock. **Price**—Net asset value plus a 7% selling commission. **Business**—A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. **Proceeds**—For investment. **Office**—300 Main St., New Britain, Conn. **Distributor**—Horizon Management Corp., N. Y.

Livestock Financial Corp.

Feb. 23, 1962 filed 245,000 common. **Price**—\$10. **Business**—An insurance holding company whose subsidiaries insure the lives of all types of animals. **Proceeds**—To form new subsidiaries. **Office**—26 Platt St., N. Y. **Underwriter**—Shearson, Hammill & Co., N. Y.

Lockfast Mfg. Co.

Jan. 11, 1962 ("Reg. A") 85,000 common. **Price**—\$3.50. **Business**—Manufacture of furniture hardware for sale to furniture manufacturers. **Proceeds**—For debt repayment, steel inventories and plant expansion. **Office**—3006 Boarman Ave., Baltimore. **Underwriter**—R & D Investors Corp., Port Washington, N. Y. **Offering**—Expected sometime in August.

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

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& 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.

★ Lyntex Corp.

June 29, 1962 filed \$600,000 of 6½% s. f. debentures due 1977 and 120,000 common to be offered in units consisting of \$500 of debentures and 100 common. Price—By amendment (max. \$720 per unit). Business—Manufacture of light gauge vinyl plastic film and sheeting. Proceeds—For acquisition of predecessor's business and working capital. Office—40 E. 34th St., N. Y. Underwriter—P. W. Brooks & Co., Inc., N. Y.

● Mac-Allan Co., Inc.

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. Offering—Indefinitely postponed.

McGrath (John W.) Corp.

June 28, 1962 filed 253,875 common. Price—By amendment (max. \$15). Business—Contract stevedoring and related operations. Proceeds—For selling stockholders. Office—39 Broadway, N. Y. Underwriter—Bear, Stearns & Co., N. Y.

Magazines For Industry, Inc.

Aug. 2, 1961 filed 100,000 common, of which 80,000 will be offered by the company and 20,000 by stockholders. Price—\$5. Business—The publishing of business periodicals. Proceeds—For promotion, a new publication and working capital. Office—660 Madison Ave., New York. Underwriter—Arnold, Wilkens & Co., Inc., N. Y. Offering—Temporarily postponed.

Magellan Sounds Corp.

Feb. 28, 1962 filed 60,000 common (with attached one-year class A warrants to purchase 60,000 common shares at \$4 per share and two-year class B warrants to purchase 60,000 shares at \$4.50 per share) to be offered in units (each consisting of one share, one class A warrant and one class B warrant). Price—\$4 per unit. Business—Production of educational and recreational devices and games. Proceeds—For general corporate purposes. Office—130 E. 40th St., N. Y. Underwriter—Darius Inc., N. Y. Offering—Temporarily postponed.

Magic Fingers, Inc.

Dec. 29, 1961 filed 75,000 common. Price—\$4. Business—Production of a new electrically powered device for massaging a person in bed. Proceeds—For general corporate purposes. Office—Route 17, Rochelle Park, N. J. Underwriter—Stanley R. Ketcham & Co., Inc., N. Y.

Magnetics Research Co. Inc.

April 30, 1962 filed 100,000 common. Price—\$3. Business—Design and marketing of magnetic memory units. Company also plans to market transistor logic units and subsystems for use in computers, business machines and data handling systems. Proceeds—Expansion of sales and engineering, new product development and equipment. Office—179 Westmoreland Ave., White Plains, N. Y. Underwriter—T. W. Lewis & Co., Inc., N. Y.

Mail Assembly Service, Inc.

April 27, 1962 filed 100,000 common. Price—\$2.25. Business—Assembling of packages for shipment to post offices. Proceeds—For general corporate purposes. Office—145 Ave. of the Americas, N. Y. Underwriter—Globus, Inc., N. Y. Offering—Expected in August.

Mammoth Mart Inc.

April 5, 1962 filed 200,000 common, of which 100,000 are to be sold by company and 100,000 by stockholders. Price—By amendment (max. \$15). Business—Operation of self-service discount department stores. Proceeds—For debt repayment and working capital. Office—106 Main St., Brockton, Mass. Underwriter—McDonnell & Co., New York.

● 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.

Maradel Products, Inc.

March 12, 1962 filed 335,000 common. Price—By amendment (max. \$20). Business—Manufacture of toiletries and cosmetics. Proceeds—For acquisition, debt repayment and working capital. Office—510 Ave. of the Americas, N. Y. Underwriter—Hornblower & Weeks, N. Y.

● Marin County Financial Corp.

May 2, 1962 filed 102,050 capital shares, of which 27,790 are to be offered by company and 74,260 by stockholders. Price—By amendment (max. \$18). Business—A holding company for a savings and loan association. Proceeds—For investment. Office—990 Fifth Ave. at Court, San Rafael, Calif. Underwriter—Dean Witter & Co., San Francisco. Offering—Indefinitely postponed.

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.

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. (7/23-27)

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. Note—This statement was withdrawn.

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. (7/23-27)

March 30, 1962 filed \$1,500,000 of convertible subordinated debentures due 1977 to be offered by company and 34,200 common by stockholders. Price—By amendment (max. \$10). Business—Distribution of food and related products to supermarkets and other retail stores in the New York Metropolitan area. Proceeds—For general corporate purposes. Office—345 Underhill Blvd., Syosset, N. Y. Underwriter—Brand, Grumet & Siegel, Inc., N. Y.

Metropolitan Acceptance Corp.

Oct. 2, 1961 filed \$300,000 of 6% subordinated convertibles due 1967 and 60,000 common shares to be offered in units consisting of \$100 of debentures and 20 common shares. Price—\$150 per unit. Business—Financing of retail sales. Proceeds—For working capital. Office—5422 Western Ave., Chevy Chase, Md. Underwriter—To be named.

● Metropolitan Realty Trust (9/4)

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—Eisela & King, Libaire, Stout & Co., N. Y.

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 \$2,500,000 convertible subordinate debentures due 1977. Price—At par. 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. Note—This statement was withdrawn.

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 (7/23-25)

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 August.

Minichrome Co.

June 18, 1962 ("Reg. A") \$50,000 of five year 7% subordinated convertible debentures to be offered in denominations of \$500 due Nov. 1, 1967. Price—At par. Business—Processes Kodachrome film. Proceeds—For working capital. Office—980 W. 79th St., Minneapolis. Underwriter—Continental Securities, Inc., Minneapolis.

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 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. EDT) at One Chase Manhattan Plaza, Room 2318, N. Y. Information Meeting—July 13 (2:30 p.m. EDT) 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—Imminent.

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. Saue Co., N. Y.

Montebello Liquors, Inc. (7/24-27)

April 5, 1962 filed 160,000 common. Price—By amendment (max. \$5). Business—Blending, bottling and marketing of alcoholic beverages. Proceeds—For equipment, inventories, advertising and working capital. Office—Bank St. & Central Ave., Baltimore. Underwriters—Street & Co., and Morris Cohon & Co., N. Y.

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., Inc., 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.

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 Bank of Israel Ltd.

June 22, 1962 filed 1,050,000 ordinary shares and 3,190,000 "A" ordinary shares. Price—By amendment (max. 75c). Business—A general banking business. Proceeds—For general corporate purposes. Office—Tel-Aviv, Israel. Underwriter—None.

National Car Rental System Inc.

March 19, 1962 filed 200,000 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, & Mottl, 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—Corklandt Investing Corp., N. Y.

National Security Life Insurance Co.

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. Note—The SEC has questioned the accuracy and adequacy of this registration statement.

National Semiconductor Corp.

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.). Offering—Expected in late July.

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.

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 York Testing Laboratories, Inc.

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.

Nicholson Terminal & Dock Co.

June 25, 1962 ("Reg. A") 6,772 common. Price—\$11. Business—Servicing of vessels using the Great Lakes. Proceeds—For general corporate purposes. Office—Foot of Great Lakes Ave., Ecorse, Mich. Underwriter—None.

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.

North Battleford Brewing Co., Ltd.

June 21, 1962 filed 443,565 common. Price—\$1. Business—Company intends to equip and operate a brewery. Proceeds—For construction and debt repayment. Office—North Battleford, Saskatchewan, Canada. Underwriter—None.

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.

Northwest Securities Investors, Inc.

June 25, 1962 ("Reg. A") 80,000 common. Price—\$3.75. Business—Acquisition of second-trust notes secured by real estate property. Proceeds—For general corporate purposes. Office—922 You St., N. W., Washington, D. C. Underwriter—Clarence E. Shaw & Co., Washington, D. C.

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 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.

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. (8/1-3)

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. (8/20-24)

Dec. 26, 1961 filed 100,000 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.

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. (7/23-27)

Aug. 28, 1961 filed 100,000 common. Price—\$3.50. Business—The manufacture of precision electronic sub-systems for the generation, detection and control of frequencies up through the microwave region. Proceeds—For expansion, equipment and working capital. Address—Tuckahoe, N. Y. Underwriter—A. D. Gilhart & Co., Inc., N. Y. C.

Orr (J. Herbert) Enterprises, Inc.

May 1, 1962 filed 285,000 common. Price—\$10.50. Business—Company's subsidiaries manufacture cartridge tape recorders and programs therefor and men's and boys' dress trousers. Proceeds—For debt repayment, advertising and working capital. Address—Opelika, Ala. Underwriter—None.

Outlet Mining Co., Inc.

Feb. 28, 1962 filed 900,000 common. Price—\$1. Business—Mining. Proceeds—For equipment and working capital. Address—Creede, Colo. Underwriter—None.

Pacific States Steel Corp.

June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. Price—\$6. Business—The manufacture of steel products. Proceeds—For the selling stockholder. Office—35124 Alvarado-Niles Road, Union City, Calif. Underwriters—First California Co., Inc., and Schwabacher & Co., San Francisco (mgr.). Offering—Indefinitely postponed.

Pacific Westates Land Development Corp.

Sept. 28, 1961 filed \$1,500,000 of 7% convertible subord. debentures due 1976 and 300,000 common shares to be offered in units, each consisting of \$100 of debentures and 20 common shares. Price—\$200 per unit. Business—General real estate. Proceeds—For debt repayment and working capital. Office—9412 Wilshire Blvd., Beverly Hills, Calif. Underwriter—Morris Cohon & Co., N. Y. Note—This company was formerly named Westates Land Development Corp.

Packard-Bell Electronics Corp.

May 4, 1962 filed \$5,023,800 of conv. subord. debentures due 1977 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 17 shares held. Price—At par. Business—Design, manufacture and sale of consumer and defense electronic products. Company also installs and services its TV receivers and stereophonic units, and manufactures plywood doors. Proceeds—For debt repayment. Office—12333 W. Olympic Blvd., Los Angeles. Underwriter—Kiddler, 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.

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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, Cohn & Shumaker, Indianapolis and Cruttenden, Podesta & Miller, Chicago. Offering—Indefinitely postponed.

Pay'n Save Corp.
April 27, 1962 filed \$1,200,000 of conv. subord. debentures due 1977, also 40,576 common shares to be offered by stockholders. Price—By amendment (max. \$17 for common). Business—Operation of hardware, drugstore and nurseries businesses. Proceeds—For expansion, working capital and other corporate purposes. Office—514-524 Pike St., Seattle. Underwriter—Dean Witter & Co., San Francisco. Offering—Indefinitely postponed.

Peerless Radio Corp.
March 22, 1962 filed 120,000 common, of which 100,000 are to be offered by the company and 20,000 by stockholders. Price—\$4. Business—Distribution of electric parts and components to industrial customers. Proceeds—For debt repayment, inventory and working capital. Office—19 Wilbur St., Lynbrook, N. Y. Underwriter—Kordan & Co., Inc., N. Y.

Pellegrino Aggregate Technico, Inc.
Aug. 10, 1961 filed 130,000 class A common shares. Price—\$5. Business—The manufacture of building materials. Proceeds—For payment of income taxes and loans and for working capital. Office—Woodbridge-Carteret Road, Port Reading, N. J. Underwriter—Mortimer B. Burnside & Co., Inc., N. Y. Offering—Temporarily postponed.

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.

Perma-Bilt Enterprises, Inc.
May 28, 1962 filed 230,000 common. Price—By amendment (max. \$8). Business—Merchandising, sale and construction of homes. Proceeds—For acquisition and development of land, and other corporate purposes. Office—319 MacArthur Blvd., San Leandro, Calif. Underwriter—Robert A. Martin Associates, Inc., N. Y. 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.

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.

Photonetics Corp.
July 6, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Research and development with intention to manufacture devices utilizing light for applications in the fields of computer components, memories, information storage; guidance devices and systems, etc. Proceeds—For sales promotion, equipment, a new plant and working capital. Address—Walker Valley, N. Y. 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. Note—This registration is being withdrawn.

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. (7/30)
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., Inc., New York.

Plasticon Chemicals, Inc.
Feb. 7, 1962 filed 150,000 class A capital shares. Price—\$3.50. Business—Manufacture of a plastic protective coating and a water proofing solution. Proceeds—For inventory, equipment, sales promotion, and other corporate purposes. Office—507 Fifth Ave., N. Y. Underwriter—Arden Perin & Co., N. Y.

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.

Potomac Real Estate Investment Trust
July 6, 1962 filed 1,000,000 shares of beneficial interest. Price—By amendment (max. \$5). Business—A real estate investment trust. Proceeds—For investment. Office—880 Bonifant St., Silver Spring, Md. Underwriter—None.

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. Note—This registration was withdrawn.

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.

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—Indefinitely postponed.

Prudent Realty Investment Trust
May 21, 1962 filed 100,000 shares of beneficial interest. Price—\$10. Business—A real estate investment trust. Proceeds—For investment. Office—1324 Walnut St., Philadelphia. Underwriter—None.

Public Loan Co., Inc.
March 28, 1962 filed 170,000 common. Price—By amendment (max. \$17). Business—Operation of small loan offices. Proceeds—For general corporate purposes. Office—41 Chenango St., Binghamton, N. Y. Underwriter—A. G. Becker & Co., Inc., Chicago. Offering—Indefinitely postponed.

Publishers Co., Inc.
Nov. 28, 1961 filed 541,000 common. Price—By amendment. Business—Book publishing. Proceeds—For an acquisition and other corporate purposes. Office—1106 Connecticut Ave., N. W., Washington, D. C. Underwriter—Roth & Co., Inc., Philadelphia.

Puerto Rico Brewing Co., Inc.
March 23, 1962 filed \$2,500,000 of sinking fund debentures due 1977 and 500,000 common shares to be offered in units consisting of a \$10 debenture and two common shares. Price—\$18 per unit. Business—Company plans to produce beer and natural malta (a non-alcoholic beverage). Proceeds—For construction and operation of a brewery and working capital. Address—San Juan, Puerto Rico. Underwriter—Merrill Lynch, Pierce, Fenner & Smith, Inc., N. Y.

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.

R E D M Corp.
June 29, 1962 filed 125,000 common, of which 50,000 will be offered for the company and 75,000 for certain stockholders. Price—By amendment (max. \$6). Business—Engaged in manufacturing, engineering and research under Defense Department contracts; also manufactures ball point pens, points, mechanical pencils and desk sets. Proceeds—For equipment and working capital. Office—Little Falls, Passaic County, N. J. Underwriter—Meade & Co., Inc., N. Y.

RF Interonics, Inc. (8/6-10)
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. (7/24)
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.

Rare Minerals of New Mexico, Inc.
June 27, 1962 ("Reg. A") 25,000 class A common. Price—\$4. Business—Mining of lithium and pegmatite type ores. Proceeds—For debt repayment and working capital. Office—914 Bank of New Mexico Bldg., Albuquerque, N. M. Underwriter—None.

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—Temporarily postponed.

Regulators, Inc. (8/1)
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.

● **Richard Gray & Co., Inc.**

June 21, 1962 ("Reg. A") 60,000 common. Price—\$5. Business—A securities broker-dealer. Proceeds—For working capital and other corporate purposes. Office—237 W. 51st St., N. Y. Underwriter—Richard Gray Co., New York.

● **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.

● **Ridgway (L. L.) Enterprises, Inc.**

June 27, 1962 filed 155,000 common, of which 130,000 are to be offered by company and 25,000 by a stockholder. Price—By amendment (max. \$10). Business—Company furnishes commercial reproductions, manufactures sensitized papers, cloths and films for blueprinting and printing, and sells architectural, engineering and commercial reproduction equipment and supplies. Proceeds—For plant expansion, equipment and working capital. Office—5711 Hillcroft Ave., Houston. Underwriters—Underwood, Neuhaus & Co., Inc. and Rotan, Mosle & Co., Houston.

● **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. (7/30)**

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. (7/23-27)**

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.

● **Rochester Telephone Corp. (7/19)**

June 21, 1962 filed \$12,000,000 of debentures due 1987. Proceeds—To repay bank loans, and redeem outstanding 4% debentures due 1963. Office—10 Franklin Street, 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 (11 a.m. EDT).

● **Rosenfeld (Henry), Inc.**

March 23, 1962 filed 120,000 common. Price—By amendment (max. \$10). Business—Design, manufacture and sale of women's dresses. Proceeds—For a selling stockholder. Office—498 Seventh Ave., N. Y. Underwriter—Robert A. Martin Associates, Inc., N. Y.

● **Royaltone Photo Corp.**

Nov. 29, 1961 filed 300,000 common, of which 100,000 are to be offered by the company and 200,000 by stockholders. Price—By amendment. Business—Develops and prints color, and black and white photographic film. Proceeds—For equipment and working capital. Office—245 7th Ave., N. Y. Underwriter—Federman, Stonehill & Co., N. Y.

● **Royalty Stores, Inc.**

May 29, 1962 filed 75,000 common. Price—\$3.75. Business—Operation of discount stores and wholesale distribution of general merchandise. Proceeds—For expansion, advertising, and other corporate purposes. Office—10 Charles St., Floral Park, N. Y. Underwriter—R. P. Raymond & Co., Inc., 26 Broadway, N. Y.

● **Ruby Silver Mines, Inc.**

Jan. 2, 1962 ("Reg. A") 2,400,000 common. Price—12½ cents. Business—Exploration and development of mineral deposits. Proceeds—For debt repayment and general corporate purposes. Address—Box 1088, Wallace, Idaho. Underwriter—Pennialuna & 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.**

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.

● **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. (7/23-27)**

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.

● **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.

● **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.

● **Seaboard Life Insurance Co. of America**

June 29, 1962 filed 256,097 common to be offered for subscription by stockholders on 1-for-5 basis. Price—By amendment. Business—Writing of life, accident and health insurance. Proceeds—For purchase of a building, debt repayment, reserves and other corporate purposes. Office—1451 N. Bayshore Dr., Miami. Underwriter—None.

● **Security Aluminum Corp. (7/30)**

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.

● **Selective Financial Corp.**

Feb. 28, 1962 filed 500,000 common, of which 405,000 are to be offered for subscription by holders of the A, B and C stock of Selective Life Insurance Co., an affiliate, on the basis of 4 company shares for each class A or B share and two-thirds share for each class C share of Selective Life held. Remaining 94,822 and any unsubscribed shares will be offered publicly. Price—To public, \$6; to stockholders, \$5. Business—Company plans to engage in the consumer finance, mortgage, general finance and related businesses. Proceeds—For general corporate purposes. Office—830 N. Central Ave., Phoenix. Underwriter—None.

● **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.**

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. Offering—Imminent.

● **Shin Mitsubishi Jukogyo K. K.**

June 29, 1962 filed \$10,000,000 of convertible debentures due Oct. 1, 1977. Price—By amendment. Business—Manufacture of pulp and paper equipment, ships, aircraft, automobiles, trucks, construction and industrial machinery, etc. Proceeds—For general corporate purposes. Office—Tokyo, Japan. Underwriters—First Boston Corp., and Nomura Securities Co., Ltd., N. Y. Offering—Expected in late September.

● **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.**

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. Offering—Expected in early Fall.

● **Skiers Service Corp. (7/23-26)**

Oct. 3, 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

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firm formerly was named National Vending Ski Insurance Corp.

Sokol Brothers Furniture Co., Inc.
Sept. 28, 1961 filed 160,000 common. Price—\$2.50. Business—The installment retailing of furniture, appliances and other household goods. Proceeds—For expansion and modernization of buildings, repayment of debt and working capital. Office—253 Columbia St., Brooklyn, N. Y. Underwriter—Albion Securities Co., Inc., and Price Investing Co., N. Y.

● **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. Note—This registration was withdrawn.

Southeastern Real Estate Trust
April 2, 1962 filed 700,000 common. Price—By amendment (max. \$13.80). Business—A real estate investment trust. Proceeds—For investment. Office—600 E. Washington St., Orlando, Fla. Underwriter—None.

Southeastern Towing & Transportation Co., Inc.
Nov. 29, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Construction and operation of towing boats. Proceeds—For debt repayment, conversion of a boat, and working capital. Office—3300 N. W. North River Drive, Miami, Fla. Underwriter—Irwin Karp & Co., Inc., 68 William St., N. Y.

Spears (L. B.), Inc. (7/30)
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.

Sperli Products, Inc. (8/6-10)
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.

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.

Standard Security Life Insurance Co. of New York
June 29, 1962 filed 230,000 common. Price—By amendment (max. \$12). Business—Writing of life, accident and health insurance. Proceeds—For investment and other corporate purposes. Office—111 Fifth Ave., N. Y. Underwriter—Ira Haupt & Co., N. Y.

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. (7/30)
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.
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. Offering—Expected in August.

● **(M.) Stephens Mfg. Co., Inc. (7/23-27)**
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.
Feb. 21, 1962 filed 115,000 class A, of which 40,000 are to be offered by the company and 75,000 by stockholders. Price—\$6. Business—Manufacture, sale and distribution of fish foods and distribution of various types of fish and aquarium supplies for hobbyists. Proceeds—For a new plant and working capital. Office—52 Cottage Plaza, Allendale, N. J. Underwriter—Andresen & Co., N. Y.

Stratford Financial Corp.
March 29, 1962 filed 315,000 class A shares of which 218,000 are to be offered by the company and 97,000 by the stockholders. Price—\$6. Business—Commercial finance company. Proceeds—For debt repayment. Office—95 Madison Ave., N. Y. Underwriter—Mortimer B. Burnside & Co., Inc., N. Y.

Stratton Realty & Construction Fund, Inc.
March 20, 1962 filed 500,000 common. Price—\$20. Business—A real estate investment company. Proceeds—For investment. Office—50 E. 40th St., N. Y. Underwriter—To be named.

Suburban Water Service Co.
June 29, 1962 filed 30,000 preferred and 30,000 common shares to be offered publicly; also 3,398 preferred shares (par \$16) to be offered for subscription by common stockholders on a share-for-share basis. Price—By amendment (max. \$17). Business—A holding company for water supply firms. Proceeds—For advances to subsidiaries. Office—Clinton, Conn. Underwriter—Putnam & Co., Hartford.

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. Note—This statement was withdrawn.

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. Eighth St., Los Angeles, Calif. Underwriter—Costello, Russotto & Co., 9301 Wilshire Blvd., Beverly Hills, Calif.

Tactair Fluid Controls, Corp.
March 29, 1962 filed 90,000 common. Price—By amendment (max. \$7.50). Business—Manufacture of fluid control equipment used in missiles, helicopters and aircraft. Proceeds—For selling stockholders. Address—Bridgeport, Conn. Underwriters—Stroud & Co., Inc. and Pennington, Colket & Co., Philadelphia.

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. Offering—Expected sometime in October.

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.

Thermoironics 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.

Thompson Manufacturing Co., Inc. (7/30)
Dec. 22, 1961 filed 90,000 common, of which 80,000 shares are to be offered by the company and 10,000 by stockholders. Price—\$4. Business—Design and manufacture of special machinery for the paper industry and the construction of bowling alleys. Proceeds—For expansion and general corporate purposes. Office—Canal St., Lancaster, N. H. Underwriter—Packer-Wilbur Co., Inc., N. Y.

Thunderbird International Hotel Corp.
Jan. 2, 1962 filed 175,000 common. Price—By amendment (\$10 max.). Business—Hotel ownership and management. Proceeds—For construction. Office—525 N. Sepulveda Blvd., El Segundo, Calif. Underwriter—Vickers, MacPherson & Warwick, Inc., N. Y. Offering—Temporarily postponed.

★ **Titanium Corp. of Wyoming**
June 26, 1962 ("Reg. A") 250,000 common. Price—\$1. Business—Mining. Proceeds—For property development. Address—c/o Michael W. Binter, 2921 Sheridan Blvd., Denver. Underwriter—None.

Top Dollar Stores, Inc.
May 1, 1962 filed 200,000 common, of which 100,000 are to be offered by company and 100,000 by stockholders. Price—\$5. Business—Operation of a chain of self-service retail stores selling clothing, housewares, etc. Proceeds—For expansion, equipment and working capital. Office—2226 Florida Ave., Jasper, Ala. Underwriter—Phillips, 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.

Trailer Train Co.
June 29, 1962 filed \$4,000,000 of serial equipment trust certificates, series 1, due 1963-82. Business—Acquisition and furnishing of flat cars to railroads. Proceeds—Purchase of additional flat cars. Office—6 Penn Center Plaza, Philadelphia. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler; R. W. Pressprich & Co.

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, Maraché & 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.

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., At-

lanta. **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.

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. (8/13)

March 30, 1962 ("Reg. A") 100,000 common. **Price**—\$1.30. **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 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.

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. (8/9)

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.

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 amend-

ment (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.

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 156,782 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. **Note**—This registration was withdrawn.

Vendex, Inc. (7/18-20)

Jan. 12, 1962 ("Reg. A") 300,000 common. **Price**—\$1. **Business**—Manufacture of coin operated vending machines. **Proceeds**—For an acquisition and general corporate purposes. **Office**—1290 Bayshore Blvd., Burlingame, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Vending Components, Inc.

March 30, 1962 filed 100,000 common. **Price**—\$4. **Business**—Manufacture, design and sale of metal valves, mixers, taps, etc., for vending machines. **Proceeds**—For expansion, new products and other corporate purposes. **Office**—204 Railroad Ave., Hackensack, N. J. **Underwriter**—Keene & Co., Inc., N. Y.

Verlan Publications, Inc.

March 30, 1962 filed 89,500 common, of which 80,000 are to be offered by company and 9,500 by a stockholder. **Price**—By amendment (max. \$5.50). **Business**—Preparation and production of books, catalogues and other printed material. A subsidiary publishes photography books. **Proceeds**—For expansion, debt repayment and other corporate purposes. **Office**—915 Broadway, N. Y. **Underwriter**—Searight, Ahalt & O'Connor, Inc., N. Y. **Offering**—Indefinitely postponed.

Video Color Corp.

April 6, 1962 filed 1,000,000 common. **Price**—\$1.15. **Business**—Development, manufacture and distribution of picture tubes. **Proceeds**—For equipment, inventories and working capital. **Office**—729 Centinela Blvd., Inglewood, Calif. **Underwriter**—Naftalin & Co., Inc., Minneapolis.

Video Engineering Co., Inc.

Mar. 26, 1962 filed 125,000 class A common. **Price**—\$4. **Business**—Company designs, fabricates, installs and services closed circuit television systems. **Proceeds**—For debt repayment, advertising, equipment and expansion. **Office**—Riggs Rd. and First Place, N. E., Washington, D. C. **Underwriter**—Mitchell, Carroll & Co., Inc., Washington, D. C.

Virginia Electric & Power Co. (7/25)

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

Virginia Electric & Power Co. (7/26)

June 27, 1962 filed 300,000 shares of cumulative preferred (\$100 par). **Price**—By amendment (max. \$105). **Proceeds**—For construction. **Office**—700 E. Franklin St., Richmond, Va. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Stone & Webster Securities Corp., New York.

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.

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. (7/30)

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 (7/20)

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.

Western Power & Gas Co. (7/18)

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.

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

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working capital. **Office** — 808 Dakin St., New Orleans. **Underwriter** — Howard, Weil, Labouisse, Friedrichs & Co., New Orleans.

● **Wiggins Plastics, Inc.**
Oct. 20, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Custom compression, transfer and injection molding of plastic materials. **Proceeds**—For debt repayment and general corporate purposes. **Office**—180 Kingsland Rd., Clifton, N. J. **Underwriters**—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.

● **Worcester Gas Light Co. (8/15)**
June 29, 1962 filed \$5,000,000 of first mortgage sinking fund bonds, series D, due 1982. **Proceeds**—For debt repayment and construction. **Office**—130 Austin St., Cambridge, Mass. **Underwriters** — (Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.-White, Weld & Co. (jointly). **Bids**—Aug. 15, (11:30 a.m. EDST) at above address. **Information Meeting**—Aug. 9, 1962 (10:30 a.m. EDST) at 60 School St., Boston.

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. (7/31)
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

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.

★ Central Illinois Public Service Co.

July 10, 1962 it was reported that this company plans to issue about \$10,000,000 of first mortgage bonds in 1963. **Proceeds**—For construction. **Office**—607 E. Adams St., Springfield, Ill. **Underwriters**—(Competitive). Probable bidders: Eastman Dillon, Union Securities & Co.-Equitable Securities Corp. (jointly); Blyth & Co.-Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler; First Boston Corp.; Lehman Brothers-Bear, Stearns & Co. (jointly).

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).

★ Duke Power Co. (8/16)

July 10, 1962 it was reported that this utility plans to issue \$50,000,000 of first and refunding mortgage bonds. **Proceeds**—To refund a like amount of 5½% first and refunding mortgage bonds due 1990. **Office**—30 Rockefeller Plaza, N. Y. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Stone & Webster Securities Corp.; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Aug. 16, 1962 (11 a. m. EDST) in Room 5400, One Chase Manhattan Plaza, N. Y. **Information Meeting**—Aug. 9 (3:30 p.m. EDST) at Morgan Guaranty Trust Co., (Mezzanine B) 60 Liberty St., N. Y.

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.

Food Fair Properties, Inc.

May 11, 1962 stockholders authorized the company to issue 756,000 shares of a new convertible preferred stock which will be offered to stockholders through subscription rights on a 1-for-10 basis. **Price**—By amendment. **Business**—Development and operation of shopping centers. **Proceeds**—To retire outstanding 6% preferred stock and purchase up to \$6,000,000 convertible debentures of Major Realty Corp., an affiliate. **Office**—223 East Alleghany Ave., Philadelphia. **Underwriter**—To be named. The last rights offering in December 1957 was underwritten by Eastman Dillon, Union Securities & Co., New York.

Georgia Power Co. (11/7)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$23,000,000 30-year first mortgage bonds in November. **Office**—270 Peachtree Bldg., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; Harriman Ripley & Co., Inc.; Blyth & Co., Inc.; Kidder, Peabody & Co.-Shields & Co. (jointly); Equitable Securities Corp.-Eastman Dillon, Union Securities & Co. (jointly); First Boston Corp.; Lehman Brothers; Morgan Stanley & Co. **Bids**—Expected Nov. 7. **Registration**—Scheduled for Oct. 5.

Georgia Power Co. (11/7)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$7,000,000 of preferred stock in November. **Office**—270 Peachtree Bldg., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders: Blyth & Co., Inc.; First Boston Corp.; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.-Equitable Securities Corp. (jointly); Lehman Brothers. **Bids**—Expected Nov. 7. **Registration**—Scheduled for Oct. 5.

Illinois Power Co.

Feb. 28, 1962 it was reported that this utility expects to sell \$25,000,000 of debt securities in late 1962 or early 1963. **Office**—500 South 27th St., Decatur, Ill. **Underwriters**—To be named. The last sale of bonds on May 21, 1958 was made through First Boston Corp. Other bidders were: Halsey, Stuart & Co. Inc.; White, Weld & Co.-Merrill Lynch, Pierce, Fenner & Smith, Inc. (jointly); Eastman Dillon, Union Securities & Co.; Harriman Ripley & Co., Inc.-Glore, Forgan & Co. (jointly).

Jamaica Water Supply Co.

March 20, 1962 it was reported that this utility plans to sell \$3,000,000 of mortgage bonds and \$2,000,000 of preferred and common stocks. **Proceeds**—For debt repayment, and construction. **Office** — 161-20 89th Ave., Jamaica, N. Y. **Underwriters**—To be named. The last sale of bonds on May 3, 1956 was made by Blyth & Co. Other bidders were: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; White, Weld & Co. The last several issues of preferred were sold privately. The last sale of common on May 9, 1956 was made through Blyth & Co., Inc.

Japan Development Bank

July 3, 1962 it was reported that the Japanese Finance Ministry has authorized the bank to issue an additional \$22,500,000 of bonds in the U. S. It is expected that a major portion of this financing will be completed by the end of 1962. **Business**—The bank was incorporated in 1951 as a Japanese Government financial institution to supply long-term funds to Japanese industry for the promotion of economic reconstruction and industrial development. **Office**—Tokyo, Japan. **Underwriters** — First Boston Corp.; Dillon, Read & Co. Inc.; Smith, Barney & Co., Inc., N. Y.

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.

Massachusetts Electric Co. (8/27)

June 25, 1962 it was reported that New England Electric System, parent, plans to merge Lynn Electric Co., Merrimack-Essex Electric Co., Suburban Electric Co., and Massachusetts Electric Co. The latter, as survivor, would then issue up to \$60,000,000 of first mortgage bonds, and \$7,500,000 of preferred stock. **Proceeds**—To redeem certain outstanding bonds, notes and preferred stock of merging companies. **Office**—441 Stuart St., Boston. **Underwriters**—(Competitive). Probable bidders: (Bonds)—Merrill Lynch, Pierce, Fenner & Smith Inc.-Eastman Dillon, Union Securities & Co. (jointly); Halsey, Stuart & Co. Inc.; First Boston Corp.-Kidder, Peabody & Co.-Blyth & Co. Inc.-White, Weld & Co. (jointly). (Preferred)—Merrill Lynch, Pierce, Fenner & Smith Inc.-Eastman Dillon, Union Securities & Co. (jointly); Kidder, Peabody & Co.-White, Weld & Co. (jointly). **Bids**—Aug. 27, 1962 (12 noon EDST).

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.

Nippon Telegraph & Telephone Public Corp.

July 3, 1962 it was reported that the Japanese Finance Ministry has authorized the company to issue an additional \$20,000,000 of bonds in the U. S., by the end of 1962. **Business**—The company was formed in 1952 to take over from the Government the furnishing of public telephone, telegraph and related communication services in Japan, and is the only company furnishing such services in Japan. **Office**—Tokyo, Japan. **Underwriters**—Dillon, Read & Co., Inc.; First Boston Corp.; Smith, Barney & 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.

Pacific Northwest Bell Telephone Co. (9/11)

July 3, 1962 it was reported that this A. T. & T. subsidiary plans to sell \$50,000,000 of debentures due Sept. 1, 2002. **Proceeds**—For reduction of debt due Pacific Telephone & Telegraph Co. **Office**—1200 Third Ave., Seattle, Wash. **Underwriters**—(Competitive). Probable bidders: Morgan Stanley & Co.; Halsey, Stuart & Co. Inc. **Bids**—Expected Sept. 11.

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.

Public Service Electric & Gas Co. (8/21)

On June 26, 1962 it was reported that this company is considering a public offering of \$40,000,000 of first and refunding mortgage bonds, due Aug. 1, 1992. **Proceeds**—For construction. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; White, Weld & Co.-Blyth & Co., Inc.-Goldman, Sachs & Co.-Harriman Ripley & Co., Inc. (jointly). **Bids**—Aug. 21, 1962 (11 a.m. EDST) in Newark, N. J.

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 California Edison Co. (8/28-9/6)

July 3, 1962 it was reported that this company plans to sell \$50,000,000 of first and refunding mortgage bonds, series P, due 1987. **Proceeds**—For debt repayment and construction. **Office**—601 W. 5th St., Los Angeles. **Under-**

writers—(Competitive). Probable bidders: Blyth & Co., First Boston Corp.-Dean Witter & Co. (jointly); Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.-Equitable Securities Corp. (jointly). **Bids**—Expected at the company offices between Aug. 28 and Sept. 6 at 8:30 a.m. (Calif. Time).

Southern Electric Generating Co. (11/28)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$8,500,000 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 EDST).

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 EDST).

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.

Proxmire Wants Fed's Credit Policy Questioned

Letter addressed to Rep. Patman by Wisconsin Senator calls for Joint Economic Committee hearing as to Federal Reserve policies. They are purported to be restrictive and in opposition to reasons behind current tax cut proposals.

Senator William Proxmire (Dem.-Wis.) on July 9 called for immediate hearings by the Joint Economic Committee to determine "why the monetary authorities are slamming the credit brakes on the economy when unemployment remains so high that business and labor are both calling for a tax cut."

Senator Proxmire, a member of the committee, wrote Chairman Wright Patman urging that "in view of the great significance of these hearings, they be set as soon as possible — preferably within the next week or two."

The Senator from Wisconsin charged that the "restrictive monetary policies" of the Federal Reserve system "are drastically reducing the free reserves of our banking system and sharply increasing interest rates. The restrictive effect on the economy is sure to diminish business opportunities, increase unemployment, and slow economic growth."

Finds Policy Clash

Referring to proposals that taxes be cut to stimulate the economy at a time when Federal Reserve policies are restricting the economy, Proxmire said "it would perhaps be the first time in the nation's history when the two great instruments of economic policy were deliberately and simultaneously set off in opposite directions."

"The results might be an expansion of the economy if the tax cut proves a more potent instrument than contracting credit policies—but any expansion would be dragging an anchor of credit restraint. Or it might very well

be that the aggregate effect of these two government policies might be to shove the economy down-hill if the credit restraint proved more potent than a tax cut."

He warned that the adoption of both policies at the same time "would seem to be the height of absurdity with the only sure consequences being higher interest rates, a bigger national debt and a great eventual burden on the taxpayer."

Full text of Sen. William Proxmire's letter follows: "The Honorable Wright Patman, Chairman Joint Economic Committee Congress of the United States Washington, D. C.

"Dear Mr. Chairman: "Present monetary policies are drastically reducing the free reserves of our banking system and sharply increasing interest rates.

"The restrictive effect on the economy is sure to diminish business opportunities, increase unemployment, and slow economic growth. Monetary policies are having these adverse effects at a time when unemployment remains steadily high and the economy is operating well below capacity.

"Thus the consequences of present monetary policies directly contradict the objective of our government as expressed by Congress in the Employment Act of 1946.

"For these reasons I am writing to suggest for your consideration that the Joint Economic Committee hold hearings on monetary policies to hear Chairman Martin of the Federal Reserve Board, Secretary of the Treasury Dillon,

Chairman Heller of the Council of Economic Advisors and others. In view of the great significance of these hearings I hope that they can be set as soon as possible, preferably within the next week or two.

"During the month of June while unemployment continued at the same high level of 5½% (seasonally adjusted) that has prevailed since February, the FED followed a restrictive policy of selling Federal obligations that contributed directly to a reduction of free reserves in the banking system from roughly \$500 million down to about \$300 million.

"Meanwhile, interest rates on Federal, State, Local and private obligations of all maturities rose sharply. Ninety-day Treasury bills rose to a two-year high.

"At the very time these restrictive monetary policies were being followed, the United States Chamber of Commerce, the AFL-CIO and the National Conference of Governors have all endorsed proposals for a substantial tax cut to get the economy moving. At his press conference this week President Kennedy also indicated the possibility that he might favor a big tax reduction.

"It appears therefore that the Congress may be on the verge of a tax cut to stimulate the economy. If a tax cut were enacted and monetary authorities refused to change their present restrictive policies, this would perhaps be the first time in the nation's history when the two great instruments of economic policy in our nation were deliberately and simultaneously set off in opposite directions.

"The results might be an expansion of the economy if the tax cut proves a more potent instrument than contracting credit policies, but any expansion would be dragging an anchor of credit restraint. Or it might very well be that the aggregate effect of these two government policies might be to shove the economy down-hill if the credit restraint proved more potent than a tax cut.

"In any event the adoption of both a restrictive credit policy and an expansionary fiscal policy at the same time would seem to be the height of absurdity with the only sure consequences higher interest rates, a bigger national debt and a greater eventual burden on the taxpayer.

"In the event taxes are not cut it is of course even more important that the present restrictive monetary policies be reconsidered so that the economy can move off dead center and start moving ahead.

"Sincerely,

WILLIAM PROXMIRE, U. S. S."

Carl Hanauer Co.

SAN FRANCISCO, Calif.—Carl Hanauer, formerly a partner in Sanford, Hanauer & Company, has formed his own investment firm, Carl Hanauer & Company. Associated with him in the new firm are James J. Peach, Virginia M. Reading and Walter F. Rogers, Jr., all previously with Sanford, Hanauer & Co.

Two With Ira Haupt

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Stanley E. Henslee and Ned Leigh have become associated with Ira Haupt & Co., 166 North Canon Drive. Mr. Henslee was previously with Dempsey Tegeler & Co., Inc. Mr. Leigh was with Walston & Co., Inc.

Joins Currier & Carlsen

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Gene G. Asbury has joined the staff of Currier & Carlsen, Incorporated, 210 West Seventh Street. He was previously with Pacific Coast Securities Company.

Glore, Forgan Adds

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Kenneth B. C. McCubbins has been added to the staff of Glore, Forgan & Co., 510 South Spring Street. He was formerly with Eastman, Dillon, Union Securities & Co.

Puerto Rico Issue Placed on Market

The First Boston Corp., Ira Haupt & Co. and B. J. Van Ingen & Co., Inc. are joint managers of the group that offered publicly on July 11 an issue of \$22,000,000 Puerto Rico Water Resources Authority 3¼, 3½, 3.60 and 3.70% electric revenue bonds (Series 1962-Refunding) priced from a yield of 2% for those due Jan. 1, 1964 to a dollar price of 100 for the 3.70% bonds due 1986-88. The group was awarded the issue at competitive sale on a bid of 98.83 for the combination of coupons, a net interest cost of 3.66261%.

The Authority was created in 1941 for the purpose of conserving, developing and utilizing the water and power resources of Puerto Rico in order to promote the general welfare of the Commonwealth. Today, the Authority produces, transmits, distributes and sells over 99% of the electricity consumed in Puerto Rico. The Authority's functions do not include the supply of commercial and domestic water, which is the responsibility of the Puerto Rico Acqueduct and Sewer Authority.

Bonds which mature after Jan. 1, 1968 are redeemable at the option of the Authority at redemption prices ranging from 104% for those redeemed prior to Jan. 1, 1968 to 100% for those redeemed after Jan. 1, 1984.

Now With Bache & Co.

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—John F. Tufel has become affiliated with Bache & Co., 235 Montgomery St. He was formerly with Schwabacher & Co.

Adams Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Robert F. McCullough has been added to the staff of Adams & Co., 5455 Wilshire Boulevard. He was formerly with McDowell & Co. Incorporated.

State of TRADE And INDUSTRY

Continued from page 16

said, except for Ford which planned Saturday, July 7, production and Chrysler Corp. whose Los Angeles factory and Dodge Dart line at Hamtramck, Mich., closed down for the week after operating Monday and Tuesday. Studebaker had shut down two weeks ago for model changeover.

Elsewhere, the Thunderbird-Lincoln plant at Wixom, Mich., and the Mercury Monterey facility at St. Louis remained closed all the holiday week to permit plant-wide employee vacations. These two plants will not be reactivated until July 16.

Ward's reported that a number of truck manufacturers also were shut down all week for July 4 vacations including Willys Motors at Toledo, Ohio, Mack Trucks, Inc., at Allentown, Pa., Brockway at Cortland, N. Y., Autocar at Exton, Pa. and the Metropolitan Body works of International Harvester at Bridgeport, Conn.

Rail Freight Loadings Gain 10.4% Above Year-Ago Week

Loading of revenue freight in the week ended June 30 totaled 589,656 cars, the Association of American Railroads announced. This was a decrease of 3,052 cars or five-tenths of 1% below the preceding week.

The loadings represented an increase of 55,309 cars or 10.4% above the corresponding week in 1961, and an increase of 41,763 or 7.6% above the corresponding week in 1960. These comparisons are distorted as the first week of the coal miners' annual vacation fell in both the 1961 and 1960 weeks but not in the 1962 week.

There were 14,604 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended June 23, 1962 (which were included in that week's over-all total). This was an increase of 2,690 cars or 22.6% above the corresponding week of 1961 and 3,368 cars or 30% above the 1960 week.

Cumulative piggyback loadings for the first 25 weeks of 1962 totaled 329,618 cars for an increase of 55,238 cars or 20.1% above the corresponding period of 1961, and 64,976 cars or 24.6% above the corresponding period in 1960. There were 60 class I U. S. railroad systems originating this type traffic in this year's week compared with 58 one year ago and 53 in the corresponding week in 1960.

Truck Tonnage 3.6% Ahead Of Last Year's Week

Intercity truck tonnage in the week ended June 30 was 3.6% ahead of the volume in the corresponding week of 1961, the American Trucking Associations announced. Truck tonnage was 2.7% ahead of the volume for the previous week of this year.

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

The terminal survey for last week showed increased tonnage from a year ago at 22 localities, while 12 points reflected decreases from the 1961 level. Jacksonville, Richmond and Charlotte terminals reflected year - to - year tonnage gains of 20.2, 18.6 and 15%, respectively. Five other terminal cities showed tonnage increases of more than 10%.

Compared with the immediately preceding week, 31 metropolitan areas registered increased tonnage, while only three areas showed decreases.

Lumber Output Rises 5.2% Above 1961 Level

Lumber production in the United States in the week ended June 30, totaled 220,713,000 board feet compared with 242,829,000 in the prior week, according to reports from regional associations. A year ago the figure was 209,740,000 board feet.

Compared with 1961 levels, output advanced 5.2%, shipments were 20.8% higher, and orders gained 24.9%.

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

	June 30 1962	June 16 1962	July 1 1961
Production	220,713	242,829	209,740
Shipments	250,200	270,534	207,080
Orders	252,065	276,282	201,740

Electric Output 9.3% Higher Than in 1961 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, July 7, was estimated at 15,442,000,000 kwh., according to the Edison Electric Institute. Output was 1,078,000,000 kwh. less than that of the previous week's total of 16,520,000,000 kwh. and 1,309,000,000 kwh., or 9.3% above that of the comparable 1961 week.

Business Failures Down Slightly In Holiday Week

Commercial and industrial failures dipped to 284 in the holiday week ended July 5 from 302 a week ago, reported Dun & Bradstreet, Inc. In spite of this downturn, casualties exceeded considerably the 220 occurring in the similar week last year and ran slightly above the 271 in 1960. Over a third more businesses succumbed than in pre-war 1939 when the toll stood at 208.

Liabilities of \$100,000 or more were involved in 45 of the week's failures. Off fractionally from 48 in the preceding week, casualties of this size were appreciably more numerous than the 32 in the corresponding week of 1961. Failures with losses under \$100,000 declined to 239 from 254 last week but remained considerably higher than their year-ago level of 188.

The toll among wholesalers dropped to 25 from 39 and among commercial services to 22 from 32. These two functions accounted for most of the holiday dip. There was no change in manufacturing at 57, and construction casualties inched to 48 from 52. A contrasting increase prevailed in retail trades where the toll was up to 132 from 122. More failures occurred than a year ago in all lines, with the sharpest upturns from 1961 in manufacturing and construction.

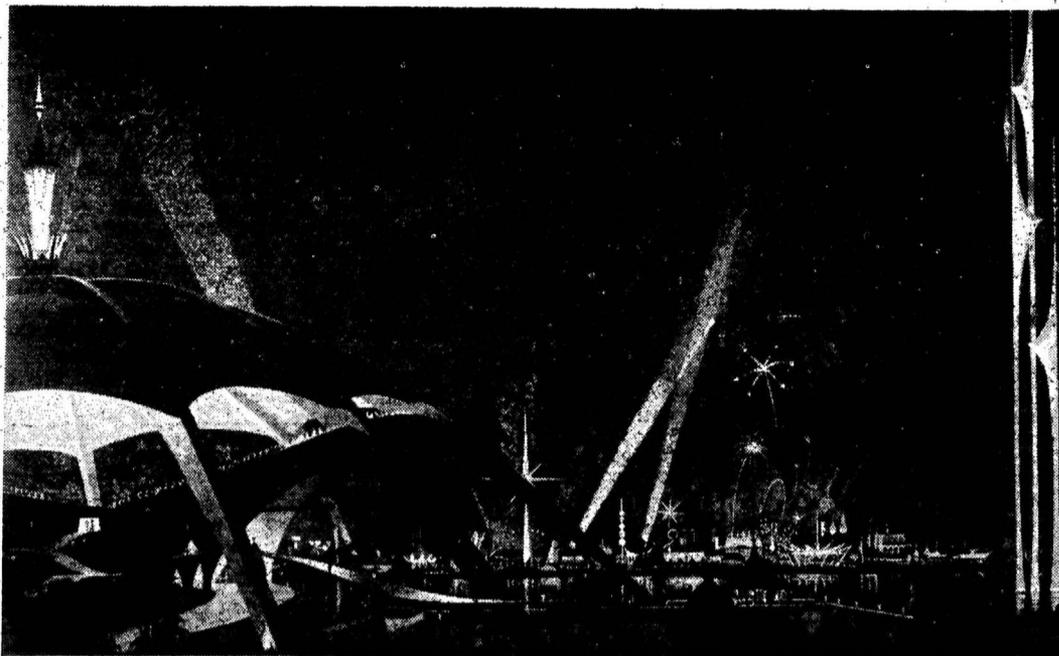
The holiday decline was concentrated in four geographic regions: the Middle Atlantic States, down to 71 from 86, the West North Central, East South Central and West South Central States. On the other hand, the South Atlantic toll climbed to 53 from 45, the Pacific to 66 from 56, and the East North Central edged to 59 from 52. There was virtually no change in New England. Year-to-year trends also were mixed; business mortality increased substantially in four regions, held about even with 1961 in four, and dropped in only one, the Mountain States.

Canadian failures inched down to 32 from 36 in the preceding week, but changed little from 30 in the comparable week last year.

Wholesale Commodity Price Index Up Fractionally This Week

Although slight ups and downs occurred from day to day in the general wholesale commodity price level during the past week, last Monday it registered the fourth straight week - to - week rise by reaching 271.61, reported Dun & Bradstreet, Inc. The increase reflected appreciably higher prices at wholesale for wheat, butter, steers and steel scrap, as well as slight advances in five other com-

Goodbody & Co. Group Completes Sale of \$8,000,000 Inter-American Cultural & Trade Center Revenue Bonds



Goodbody & Co., New York City, and associates announce the sale today (July 12) of an issue of \$8,000,000 Inter-American Center Authority, Inter-American Cultural & Trade Center 5½% revenue bonds, due June 1, 1982, at 100%.

This issue is the initial offering of a \$21,000,000 authorization by the Authority, which is a public corporation and an agency of the State of Florida. It will provide funds for the construction and development of a permanent Inter-American Cultural and Trade Center near the City of Miami, Florida, consisting of a comprehensive and attractive Inter-American Showcase divided into four separate, yet inter-woven areas—the International Area, Industrial Area, Cultural Area and Festival Area—all pronouncing the Project's theme of "Progress with

Freedom." The Project will cover 650 acres of land out of approximately 1,700 acres owned by the Authority.

The Center is to be self-supporting and self-liquidating and, in addition to cultural and trade exhibits and for the purpose of assuring attendance and income, concessions are to be granted and attractions provided which will be designed to have the mass appeal of past world fairs. So far, 21 Latin-American countries have expressed an interest in constructing exhibition pavilions at the Center.

The bonds will be secured by a mortgage on the land and payable from the proceeds of admissions, rentals and concessions.

modities. Declines from quotations a week earlier were far less numerous, with the only strong dip in rye.

On July 9, the Daily Wholesale Commodity Price Index stood at 271.61, exceeding slightly the week ago level of 271.27 and the 271.37 on the comparable date a year ago. It was up substantially from the 269.61 on the corresponding day last month when the index was at the lowest level so far in 1962.

Wholesale Food Price Index Highest In Four Months

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., advanced to \$5.91 on July 10 from \$5.86 in the preceding week and was the highest since the \$5.91 on March 13. Throughout 1962 to date, the index has run below the comparable levels established in 1961; in the current week it was down 0.3% from the \$5.93 a year ago.

Wholesale prices quoted considerably higher this week were hams, bellies, eggs, potatoes, and steers with slight increases in flour, wheat, and sugar. Declines were registered for rye, oats, lard, cottonseed oil and hogs.

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

Pre-Holiday Purchases Boost Retail Sales

In a last minute rush of shopping prior to the July 4 holiday, consumer buying gained momentum in the week ended Wednesday, July 4, and lifted total retail trade moderately above the volume in the similar week last year. Playwear topped the list in women's apparel purchases, and sea-

sonal items such as outdoor cooking equipment, lawn supplies, sporting goods, and air conditioners moved at a fast pace. Car dealers reported that June ended on a strong note. There were, however, sluggish spots in retail activity, notably men's and children's clothing and appliances, while the call for home furnishings was uneven, varying not only between regions but from day to day within the same area.

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

Nationwide Department Store Sales Up 4% From 1961 for Week Ending June 30

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported a 4% increase for the week ended June 30, 1962, compared with the like period in 1961. For the week ended June 23, sales were up 6% compared with the corresponding 1961 week. In the four-week period ended June 30, 1962, sales were 2% above the corresponding period in 1961.

With Burgess & Leith

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Newton C. Burnett is now with Burgess & Leith, 53 State Street, members of the New York and Boston Stock Exchanges. Mr. Burnett was formerly with Jennings, Mandel & Longstreth and Schirmer, Atherton & Co.

Tax-Exempt Bond Market

Continued from page 6

siderable up-state investor interest at this new market level. The present balance is \$2,565,000.

"Interama" Bonds Sold

A syndicate headed by Goodbody & Co. is announcing the sale of \$8,000,000 Inter-American Center Authority, Fla., 5½% bonds, due June 1, 1982, at a price of par. (Further details will be found on this page.)

Dollar Bond Index Unchanged

Although the tone of the dollar quoted toll road and revenue bond markets has improved, issues are but slightly off the bottoms made last week. The stock market fluctuations during the past month have been particularly damaging to this phase of the tax-exempt bond market. Investors have sold the dollar quoted bonds to save stock positions and investors have sold them to get back in the stock market. With it all these issues have withstood such market vagaries very well.

The Commercial and Financial Chronicle's revenue bond Index averages at 3.92% this week, unchanged from last week. Monthly revenue and traffic reports of course continue to be relatively good. Reports indicate that summer traffic is now at a record-breaking level. Our toll roads should benefit beyond estimates.

With Hooker & Fay

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—John B. Sisson has become connected with Hooker & Fay, Inc., 221 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges. Mr. Sisson was formerly with Granbery, Marache & Co.

Oppose Changing Federal Reserve's Terms of Office

Statement signed by 58 monetary and financial economists strenuously objects to bill introduced into both houses of Congress dealing with the Federal Reserve. The economists charge that the proposed legislation they question, affecting and coordinating the terms of office of the Federal Reserve System's Governors with that of a newly-elected President, would depart from the practice of non-political operation of the Federal Reserve System.

Members of the Economists' National Committee on Monetary Policy, a non-profit, non-political research-educational group in the area of sound money and banking, express opposition to proposed revision of Presidential appointments of Federal Reserve Governors. The organization's office is in New York City, it subsists solely on tax-deductible contributions, and issues the monthly bulletin *Monetary Notes*. Several of its members co-authored "A Proper Monetary and Banking System for the United States", edited by Drs. James W. Bell and Walter E. Spahr. (The Ronald Press, New York, 1960).

The text of the statement follows:

"We, the undersigned, members of the Economists' National Committee on Monetary Policy, oppose enactment of that portion of S. 3202 which would subject the Board of Governors of the Federal Reserve System to the political philosophy and programs of the national Administrations in office after January 31, 1965. This bill was introduced, April 19, by Senator Robertson of Virginia, Chairman of the Banking and Currency Committee of the U. S. Senate, as requested by President Kennedy in a letter of April 17, 1962, to the President of the Senate (*Congressional Record*, April 19, 1962, p. 6451). The House also received a draft of the proposed bill on April 17 and referred it to the Committee on Banking and Currency.

The reasons given by President Kennedy for this portion of his proposed amendments to the Federal Reserve Act are that it is essential for the effective coordination of the monetary, fiscal and financial policies of the Government. It is essential for the effective representation of the Federal Reserve System itself in the formulation of Executive policies affecting the System's responsibilities. (*Ibid.*)

"This proposed amendment (to the second paragraph of Section 10 of the Federal Reserve Act) is designed to bring the Board of Governors of the Federal Reserve System under the control of a newly-elected President by providing that 'The term of each member of the Board lawfully in office on January 31, 1964, shall expire on January 31 of the year following the year in which his term would have expired in accordance with his appointment. One member of the Board shall be designated by the President as Chairman and one as Vice Chairman of the Board, each to serve as such for a term of four years expiring on January 31 of the year in which the term of office of the President expires, and the terms as Chairman and Vice Chairman of the members serving as such on January 31, 1965, shall expire on that date. . . [etc.]'

"It should be the fundamental duty of the members of the Board of Governors of the Federal Reserve System to do all within their power to protect the integrity of the United States dollar and to administer the System nonpolitically and in the best interests of the national welfare. The Board should not be an instrumentality of the President of the United States or of the political party temporarily in power.

"The lessons available in respect to this issue are clear. Based upon the experiences of the leading nations of the world over relatively

long periods of time, those lessons have been well stated, in part as follows, by Sir Cecil H. Kisch and W. A. Elkin in their book, *Central Banks* (Macmillan and Co., Ltd., London, 1932), 4th edition: "But clearly if the [central] Bank is under State control continuity of policy cannot be guaranteed with changing Governments, nor can freedom from political bias in its administration be assured." (P. 20.)

"If the Government [temporarily in power] has a controlling influence over the [central] Bank, there are obvious ways by

which the more powerful interests in the country can try to enforce their wishes. The road is open for political intrigue, and there can be no safeguard that the policy of the Bank will be carried on without bias as national interests require." (P. 22.)

"The proposed amendment to the Federal Reserve Act to revise the method of Presidential appointment of members of the Board of Governors opens the way to Executive dictatorship in respect to the operation of the Federal Reserve System. The words 'essential for the effective coordination of the monetary, fiscal, and financial policies of the Government' have no other meaning. They have constituted the slogan commonly employed by those who have been agitating for Executive dictatorship in monetary, fiscal, and financial policies of our central government as a potent means of subjecting the people of the United States to a still higher degree of governmentally-managed economy than that thus far attained in this country."

Businessman's BOOKSHELF

American Bureau of Metal Statistics—41st Annual Yearbook, for 1961—American Bureau of Metal Statistics, 50 Broadway, New York 4, N. Y. (paper), \$4; (cloth), \$4.50.

Atomic Energy Programs—Index to the Annual Report to Congress for 1961 of major activities in the Atomic Energy Programs—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 20¢.

Case Problems of Small Business in the Rocky Mountain West—John B. Kline and John T. Douth—Bureau of Business Research, University of Colorado, Boulder, Colo., \$2.50.

Coal Pipelines—A Handbook of Facts on a New Industry—Texas Eastern Transmission Corporation, P. O. Box 2521, Houston, Texas (paper).

Cycles in Government Securities—I. Federal Debt and Its Ownership—Michael E. Levy—National Industrial Conference Board, 460 Park Avenue, New York 22, N. Y. (paper), \$15.

Efta's Foreign Trade During the First Year of Operation—Secretariat, European Free Trade Association, 711 14th Street, N. W., Washington 5, D. C. (paper).

Fine Art of Finding Life Insurance Buyers—Harry N. Kuesel—A collection of tried and tested techniques developed by outstanding salesmen in the field, including underwriting prospects, endless chains, cold canvass, referred leads, direct mail, and prestige prospecting—Prentice-Hall Inc., Englewood Cliffs, N. J. (cloth), \$2.95.

Flow-of-Funds Approach to Social Accounting—Appraisals, Analysis and Applications. Vol. 26 in "Studies in Income and Wealth"—Princeton University Press, Princeton, N. J. (cloth), \$10.

Health Insurance Books—1962 List—Health Insurance Institute, 488 Madison Avenue, New York 22, N. Y. (paper).

Industry Wage Survey: Life Insurance—U. S. Dept. of Labor Bulletin No. 1324—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 30¢.

Inventory Fluctuations, Price Level Changes, and Economic Growth—Materials prepared for the Joint Economic Committee of

the Congress of the United States—U. S. Government Printing Office, Washington 25, D. C. (paper).

Investment Advisory Services—A Directory—Edited by H. C. Walter—Cataloging over 200 services published in the U. S. and Canada (investment, commodity and chart), including name and address of publisher, frequency of publication, subscription price, arranged by service groupings—FIR Publishing Co., 520 Granite Building, Rochester 4, N. Y. (paper), \$3.95.

Men and Decisions—Lewis L. Strauss—Doubleday & Company Incorporated, 575 Madison Ave., New York 22, N. Y. (cloth), \$6.95.

Puerto Rico Water Resources Authority—Special Report—Government Development Bank for Puerto Rico, San Juan, Puerto Rico (paper).

Report of Advisory Committee on U. S. Policy Toward the International Atomic Energy Agency—Department of State, Washington, D. C. (paper).

Report of the Company Law Committee presented to Parliament by the President of the Board of Trade—Her Majesty's Stationery Office, London (paper), 12 s.6d.

Research Methods in Economics and Business—Robert Ferber and P. J. Verdoorn—The Macmillan Company, New York City.

Role of Inventory Changes During Expansion and Contraction—Materials prepared for the Joint Economic Committee of the Congress of the United States—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper).

Sensible Investor's Guide to Growth Stocks—Lin Tso—Discussion of methods which may be used to spot growth stocks before they begin to soar, find growth "bargains" and evaluate growth situations—Julian Messner, Inc., 8 West 40th Street, New York, N. Y. (cloth), \$4.95.

Twelve Full Ounces—History of the Pepsi-Cola Company—Millward W. Martin—Holt, Rinehart and Winston, Inc., 383 Madison Avenue, New York 17, N. Y. (cloth), \$4.

Union Wages and Hours: Motor-truck Drivers and Helpers—U. S. Department of Labor Bulletin No. 1314—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 25¢.

U. S. Private and Government Investment Abroad—Edited by Raymond F. Mikesell—University of Oregon Books, Eugene, Ore. (cloth), \$10.

Outlook for Electronics

Continued from page 5

of the essentially stable level of consumer durable goods purchases. The outlook now is for an increase of \$200 million in consumer electronics in 1962 from \$2.0 billion in 1961 . . . and a 1963 increase of \$100 million to \$2.3 billion of the forecast \$13.9 billion level then. This is good growth potential, and it is particularly significant that there is an increasing use of electronic components and devices in equipment sold to consumers which are not normally considered consumer electronic products. Today, many items, such as toys, washing machines, refrigerators, and automobiles have an increasingly greater complement of electronic devices in them, and a substantial broadening of this base is anticipated. There are other important 1962 and 1963 changes expected in consumer electronics:

While the long awaited and much discussed shift from black and white TV sets to color has been slow, there is increased evidence that a substantial number of color sets will be produced this year. Industry sources predict that sales will double in 1962 from the base of 180,000 sets last year. In 1963 the market is forecast in the range of 700,000 sets. While inevitably color-set gains will offset black-and-white set production, 1962 outlook for black-and-white sets suggests 6.1 to 6.2 million units, and equivalent to the 1961 production level.

In the field of radios, in addition to Japanese exports of nearly 7.0 million sets (4 million toy radios not included), U. S. firms should produce in 1962 approximately 18.4 million sets, an increase of one million from 1961 production. Industry outlook for 1963 is equally favorable with the largest increase expected in portable and automobile receivers. (First 3 months 1962 20% higher than 1961 period.)

There is also already a recognizable shift from AM sets only to FM and AM/FM combinations. In 1961, for example, FM only and combination FM/AM sets accounted for 14% of all the table and clock radios, a trend which is expected to result by 1967 in 55-60% of all clock and table radios being FM tuners.

The fourth sector is the replacement market which totaled \$0.9 billion in 1961, should increase to \$1.0 billion in 1962 and \$1.1 in 1963.

In summary, the picture for 1962 and 1963 is—

	1961	1962	1963
Government	6.9	7.5	8.0
Industrial	1.9	2.3	2.5
Consumer	2.0	2.2	2.3
Replacement	0.9	1.0	1.1
Total	11.7	13.0	13.9

Continued rapid growth of the electronics industry seems ensured for the coming 12 months and the long-term, I believe, by developments at hand and typified:

Underlying Basis for Growth

(1) By fuel cells which are probably about to become practical and thereby provide means of converting chemical energy of fuels such as hydrocarbons into electricity with an efficiency almost twice that of present conventional generating equipment.

(2) By lasers (a word which is compounded of the first letters of, and meaning: Light Amplification by Stimulated Emission of Radiation). A laser makes it possible to amplify and emit light in the form of controllable electromagnetic waves, similar to those emitted by a radio transmitter. The advantages provided by laser light beam are that it may be used to carry much more information, it has a higher directivity, and a much higher power density than the radio beam.

(3) By molecular electronics in which circuit functions that are

performed in conventional electronics by assemblies of such components as transistors, diodes, resistors, capacitors and inductors are performed within a single block of solid material. The importance of molecular electronics lies not only in microminiaturization, exemplified by a total volume in one such product of 0.001 cubic inch compared to nearly one cubic inch for each individual circuit using conventional components . . . but more particularly in improved reliability that these will make possible. Because of molecular electronic product or device is contained in a single structure, this eliminates the many connections between components and many different package sealings called for by individual components on a circuit board and additionally more consistent and sophisticated degrees of process control can be exercised during mass production and many process steps now required for each component of a circuit board can be eliminated . . . with the promise of improved reliability, lower costs.

These three and innumerable other developments like them will, I am confident, ensure electronics growing at a rate faster than the remainder of the economy for some years ahead.

*An address by Mr. Haggerty before the National Industrial Conference Board, New York City.

American S. E. Names Two

Two major appointments to the staff of the American Stock Exchange, William D. Moran as Vice President in charge of operations and H. Vernon Lee, Jr., as Secretary and Director of membership services, have been announced by Edwin Posner, Chairman of the Board of Governors.

The appointments were recommended by Edwin D. Etherington, President-elect, and approved by the Board of Governors. Mr. Etherington said the men would play key roles in the reorganized staff structure of the Exchange. "Both are strong individuals well-qualified to carry out their assignments," Mr. Etherington added.

Mr. Moran, currently is associate regional administrator for the New York office of the Securities and Exchange Commission. As Vice President in charge of Exchange operations, he will supervise staff personnel administering rules relating to floor and office operations of the membership.

Mr. Lee, a member of the Exchange staff since 1946, will serve as secretary to the Board of Governors. He will be in charge of admissions matters, including the testing of registered representatives, and will concentrate on a new program of membership services.

Mr. Lee's appointment is effective immediately. Mr. Moran will join the Exchange staff September 4, when Mr. Etherington assumes office as President.

The appointments are made in connection with a recently approved amendment to the Exchange constitution that lodges primary responsibility for operations and administration in the President and the staff.

With Amos C. Sudler

(Special to THE FINANCIAL CHRONICLE)
DENVER, Colo.—Alvin Willard has become connected with Amos C. Sudler & Co., American National Bank Building. He was formerly with Industrial Securities Corp. and Purvis & Co.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C. — In all probability, unless there is a major war, an epidemic or hard times generally, our country will have more than 1,000 cities of 25,000 population or more within the next 12 or 13 years.

Since the last census a little more than two years ago the population of the United States has increased to the equivalent of almost the combined populations of New Jersey, New Mexico and New Hampshire.

The Bureau of the Census has come up with a couple of new projections based on two different sets of conditions as to future births. The projections are of marked importance to the economic planners of the future. The impact on the future metropolitan areas, and smaller cities and towns will be tremendous, if the projections prove approximately correct.

The Census Bureau has proven to be remarkably accurate in the past decades on most of its projections of the future.

U. S. Facing Population Crisis

According to one set of conditions, the projected population for the United States in 1975 is 235,275,000 and for 1980, a projected 259,584,000. These figures are based, among other things, on the current fertility rates.

A second set of conditions, which assumes a decrease of the fertility rate, the population for 1975 is placed at 225,963,000, and for 1980, a projected 245,763,000.

The facts are the United States is facing a population crisis. We in this country think of the overpopulated countries of China and India and Japan, but the U. S. population increase has already caused many local problems with the big ones yet to come.

At the Department of Commerce the big flashing population exhibit vividly illustrates around the clock what is taking place. By watching it for a few moments it is easily understood why the population, equivalent to the size of another Minnesota each year, is increasing at a marked rate.

The exhibit in the lobby of this great building points out these salient facts: There is one birth every 7½ seconds one death every 19 seconds; one immigrant every 1½ minutes; one emigrant every 23 minutes. Thus, there is a net gain of one person every 10½ seconds.

During the 1960's there were 40,947,000 births and 15,610,000 deaths in the country. Thus there was a natural increase of 25,337,000. Net immigration from abroad, including movement of armed forces, of 2,660,000 brought the total 10-year population increase of 27,997,000 from 151,000,000 in 1960.

Black's Premise

President Eugene R. Black of the World Bank, in a forward to a booklet, "Does Overpopulation Mean Poverty?", published by the Center for International Economic Growth, stated that the extraordinary growth in the world population receives far less attention than is its due.

Mr. Black asserts that the present surging increase in population, concentrated in the poorest countries of the world, affects us now.

The facts concerning population and its effect on the economic development by Dr. Joseph Marion Jones, a foreign affairs writer and consultant, are borne in a 64-page study that was issued in May. It said that the world rate of population increase has doubled since 1945, the year World

War II ended, to the present population of 3,000,000,000.

The highest rates of population increase in the world are in tropical Latin America. In all of Asia, Africa and Latin America, only Japan has had a percentage decline in birth rate. The population increase in Japan has declined from a postwar high of 2% in 1947 to 1% in 1961.

Economic Impact

The surging population increase, concentrated in the poorer countries, affects the United States just as our own rapid increase is affecting us directly. There are a few areas of disagreement about our own increase.

It is contended by some qualified students that the increase in population is needed to continue our economic growth. On the other hand, some economists are sharply disputing this contention. They cite the upsurge in the economy of the western countries where the growth is currently greater than the United States, but the birth rate is substantially lower.

The industrial nations have a relatively slow rate of population growth and high income and living levels, according to the Population Reference Bureau, Inc. The published study report said population is growing most rapidly in countries which can least afford it; where well over half the world's people now live, expecting the better life which is not likely to materialize easily or quickly.

The time is not far off when more and more attention is going to be given to our country's high birth rate. It has been overlooked to a great extent simply because of our concerted efforts to fight Communism in those countries where the people want desperately to have a better life.

Demand for Jobs

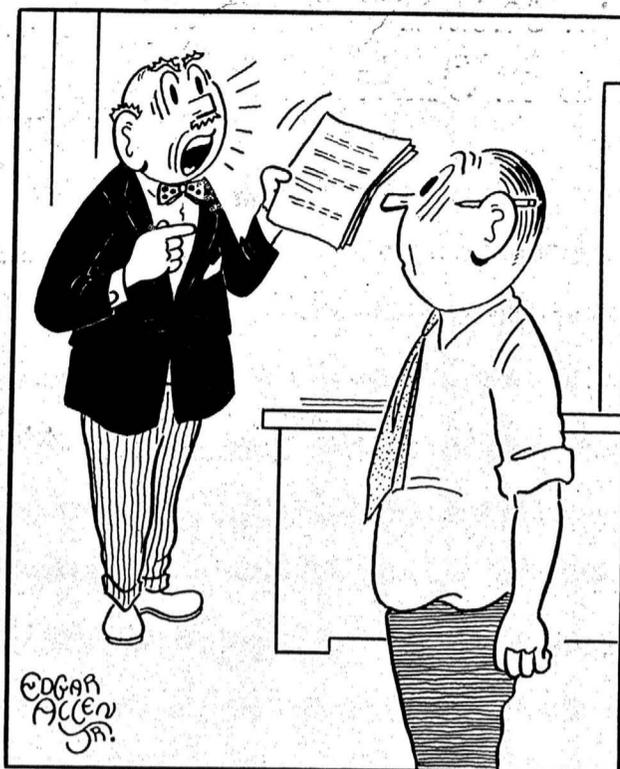
Certainly there is nothing looming ahead to cause any apprehension of people going hungry in the United States, unless some national calamity should strike. It has been clearly demonstrated over and over to the tune of billions and billions of tax subsidy dollars that we can produce food and fibre for a population that is twice as great as our present population.

The big concern lies at this time in creating more and more jobs. The higher-ups in the labor unions have been putting the pressure on the Kennedy Administration to try and make more jobs.

The unions are maintaining that 1,350,000 new jobs a year need to be created in order to provide work for the new entrants coming into the labor market. They also contend that an additional 200,000 jobs are needed each year for those persons being displaced by automation.

The big question in the Department of Labor, smallest of all departments headed by a cabinet officer, is: where are all those new jobs coming from? Automation has been a black cloud over the department for some time, but the experts in the department say automation is no reason why this country should go on a four-day week. The goal is to create more and more jobs in the face of automation and the big increase in population if that is possible. It is a mighty challenge.

[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.]



"Just what kind of a prospectus do you call THIS, Chipmunk?—Rewrite it—it's too easy to understand!"

COMING EVENTS

IN INVESTMENT FIELD

Aug. 9-10, 1962 (Denver, Colo.) Bond Club of Denver 28th annual summer outing at the Columbine Country Club.

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.

Oct. 11-12, 1962 (Los Angeles) Association of Stock Exchange Firms Board of Governors meeting at the Ambassador Hotel.

Oct. 19-20, 1962 (Philadelphia, Pa.) National Association of Investment Clubs Twelfth Annual Convention at the Sheraton 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.

Lieberbaum Co. To Admit Two

Lieberbaum & Co., 50 Broadway, New York City, member of the New York Stock Exchange, on July 19 will admit Sydney Vann and Arnold M. Katz to partnership.

Crow, Brouman Absorbs Lenchner

Crow, Brouman & Chatkin, Inc., investment brokers with offices in New York and Pittsburgh, has announced its acquisition of the investment business of Lenchner, Covato & Co., Inc., Bigelow Square, Pittsburgh and Greensburg, Pa. brokerage firm.

Crow, Brouman & Chatkin, Inc. will consolidate its Pittsburgh operations and will maintain Lenchner, Covato & Co., Inc.'s fully-staffed Greensburg, Pa. branch office.

Officers of the firm are Thomas S. Crow, President; Saul Brouman, Executive Vice President and Treasurer; Morton Chatkin, Vice President; and Thomas R. Nugent, Secretary.

Three With Hartzmark

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Sheldon M. Fisher, Ben Glassman and Karl Zitron are now with Hartzmark & Co., Inc., East Ohio Building, members of the New York Stock Exchange. All were formerly with Westheimer and Company.

Two With Paine, Webber

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—William R. Bacik and Louis Faulb are now with Paine, Webber, Jackson & Curtis, Union Commerce Building.

W. R. Thomas Co. Formed

ROCHESTER, New York—W. R. Thomas & Co., Inc. has been formed with offices in the Sibley Tower Building to engage in a securities business. W. R. Thomas is a principal of the firm.

McDonnell Co. Adds

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Allan S. Axler has been added to the staff of McDonnell & Co., Incorporated.

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