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EDITORIAL

As We See It

President Kennedy, or some one else whose words are widely weighed, should now prepare a list of the myths which seem to be so tenacious of life in the field of international relations. The events in southeast Asia, the tortuous course of affairs in the Congo, the Cuban fiasco, and now the disappointments in Algeria—to say nothing of the dozens of other cases which might be cited—offer abundant evidence that many of the conventional notions about colonialism and its abolition, and about the advancement of backward peoples in general, are much nearer fancy than fact. It must by now be growing clear also to the Communist regimes that there is something radically wrong with their thinking on this subject. The time has clearly come for a fresh look at—perhaps an agonizing reappraisal—of much that had been held all but sacred in this general area.

High Price of "Freedom"

The first disillusionment that must have come to many, and should be now be shared by all, has to do with the assumption that withdrawal of colonial or similar masters would more or less automatically be followed by governmental regimes which represented the will of the formerly governed people and strong enough to establish and maintain normal order in the territories which thus fell under their control. Of all the former colonial powers, the British best knew the fallacy of this notion, and it is among those former British colonies which went through a very considerable period of training as it were that we find the successes—if there are any—most frequently. The British authorities were often and bitterly criticized for waiting the time when they felt former colonies or dependencies had reached the stage where they had at least a reasonable chance of making a go of their independence. Time has, however, amply demonstrated that they were right—and the change in the spirit of the times (Continued on page 26)

How Leading Authorities View Outlook for the Railroad Industry

In articles especially written for THE CHRONICLE, individuals intimately identified with the nation's carriers present their views as to the economic prospects for specific roads and the industry as a whole. Participants in this symposium, a regular annual feature of THE CHRONICLE, include the Chairman of the I. C. C. and the chief executives of a representative cross-section of the nation's railroads and supplying companies.

The statements begin herewith—

HON. RUPERT L. MURPHY

Chairman, Interstate Commerce Commission, Washington, D. C.

A generally favorable forecast for the railroad industry must be qualified in some respects, particularly in reference to the outlook for the next several months. The historically close relationship between industrial output and freight ton-miles requires consideration of the fact that the Federal Reserve Board's index of Industrial Production increased from 108.3 in May 1961 to a preliminary figure of 117.8 in June, 1962, and that it has shown a month-to-month rise from February through June of this year. The change from May to June was, however, a moderate three-tenths of a point. This has been interpreted, in some quarters, as a temporary lull brought about by the decline in steel production due to past accumulations of inventories by fabricators of steel products, and a seasonal slowdown in automobile production. No similar explanation has been offered for the moderate decline in new orders for durable goods, including



Rupert L. Murphy

orders to manufacturers. There are signs of strength in the economy which include record construction activity, a high level of corporate profits, increased corporate dividends, and predictions of increases in steel production as inventories are pared down by steel users. Contradictory readings of the various economic barometers leave room for considerable optimism in regard to general business activity.

Measures of railroad activity and immediate prospects are moderately reassuring. Carloadings increased 6% during the first six months of 1962 over those of the comparable 1961 period. For the third quarter of this year, the Regional Advisory Boards have forecast an increase of only 0.4% in freight car requirements for the 32 principal commodities covered, as compared with the like quarter of last year.

While the volume of all freight traffic has increased as the level of economic activity has risen, the railroads have not kept their share of the total demand for freight services. Factors other than competition of other modes of transportation, however, have affected rail traffic. Changes in transportation requirements as the result of decentralization of population and consequently in consumer markets; shifts in production to points near the source of major raw materials or near markets for finished goods, depending on the individual industry; changes in the form in which commodities are shipped (as the partial displacement of shipments of citrus fruits by juices and concentrates); and the substitution of commodities (as of fuel oil or natural gas for coal) are among these factors. Freight revenues, moreover, change not only because of traffic lost to or gained from other forms of transport, but also from shifts between high-rated and low-rated commodities, from changes in length of haul, and as a result of industrial or economic adjustments.

An unusual number of recent developments have occurred which are of present or potential benefit to the railroad industry. (Continued on page 14)

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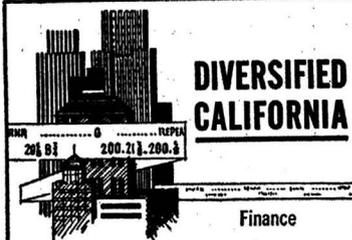
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ROBERT L. SCHWARTZ
Research Department, McDonnell & Co., Inc., New York City,
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E. J. Korvette, Inc.

Korvette's growth over the past decade has been nothing short of spectacular. Though its total volume amounted to a mere \$10 million as recently as 1953, the company is today capable of generating sales of some \$300 million annually. And within the next two years Korvette appears certain of moving into the ranks of the ten largest U. S. retailers—a major accomplishment for a firm that showed an equity of \$4,000 just 15 years ago.



Robert L. Schwartz

But to describe Korvette's growth solely in statistical terms would be to sketch only half a portrait. For the company's rise to a mature merchandising organization is unparalleled in its speed or extent. Certainly the retailing skills now possessed by Korvette belie the company's age. In the post-war period, Korvette has been the major innovator in the retail field. Its moves, imaginatively conceived and dispatched with conviction have proven closely in tune with the real needs and desires of the consumer. Today the company continues to retain the initiative—its policies carefully watched by the entire industry. For the company's "ability to sell" is well established as is its somewhat uncanny ability to successfully implement new formulas where the status quo has reigned for decades.

Eugene Ferkauf, founder and current chief of the Korvette organization, has adroitly parlayed a seemingly simple idea into a major retail empire. His adherence to the basic tenets of low-price, high-turnover merchandising from the time of Korvette's modest beginning has underlayed all progress. Whereas the company in its early years concentrated its efforts in the area of hard goods, today it sells products representative of almost every phase of the consumer goods spectrum. Merchandising operations are handled by four separate divisions: (1) hard goods; (2) soft goods; (3) drugs; and (4) food products. The hard goods division still ranks as the company's largest revenue producer, accounting for about 50% of total sales. Soft goods have assumed a new importance in the corporate plan in recent years. In an effort to increase its penetration of middle and upper-middle income groups the company has upgraded its apparel lines. Here, as in other areas, management remains flexible in its outlook. How far the trend towards upgrading its merchandise carries will depend on the evidence provided by the cash register. The company's one firm principle is: "Handle only merchandise which lends itself to mass-merchandising techniques." Complete food and drug departments have been added to most Korvette locations. With its line of merchandise expanding, changes have naturally been called for in the physical plant. The average

area of stores planned for construction in the year ahead (some 200,000 sq. ft.) is approximately twice the average size of the first five Korvette units.

It was not until 1956 that Korvette became a multi-store operation. Thereafter the corporate chain spread rapidly—the 17 stores now in operation giving the company strong representation in the lucrative market which stretches along the eastern seaboard from Boston to Washington. The opening of new stores has provided the primary impetus for sales growth. Projections of future sales volume may therefore best be made through calculations based on planned additions to floor area combined with an estimate of sales volume per given amount of floor area (adjustment is necessary for the spacing of new store openings throughout the year and increases in the sales volume of older stores). Our estimate of \$240 million in sales for the fiscal year ended July 31, 1962, is based on the announced addition of 869,000 sq. ft. and an average sales yield of \$115 per sq. ft. (the latter figure is double the industry average, but slightly below Korvette's experience of recent years). With approximately 1.4 million sq. ft. to be added to the corporate chain in fiscal 1963, sales of \$380 million appear within reach for that period. The rapid forward progress indicated herein follows directly on a five-year period when sales increased at an annual rate of better than 25% compounded.

A rapid expansion of sales has significance for the investor only if it is translated (eventually) into an increase in profits on a per share basis. Korvette has showed in recent years that it is fully able to satisfy this criterion. Indeed, earnings per share have increased at a more rapid rate than sales over the past half-decade. Supporting this result have been an increase in the margin of profit derived on sales (the pretax margin of profit in the first nine months of fiscal 1962 was well in excess of 5%) and a high rate of return on invested capital (28% in 1961)—the latter obviating the need for any substantial dilution of the equity to finance growth. Based on the estimates of sales mentioned previously, earnings of \$1.50 and \$2.40 a share in fiscal 1962 and 1963, respectively, appear reasonable expectations.

Management's plans for the future include expansion in the number of stores, geographical diversification and entry into related activities. With due allowance for near-term experience and general business conditions, the company can be expected to open a minimum of eight stores in normal years over the next half-decade. Initial forays into the mid-West, West-Coast and Common Market nations are planned for the years ahead. The company has definitely decided to enter the door-to-door selling field, and is now ready for a test run in this area with its own line of cosmetics. It does not appear likely that the company will have to resort to any additional permanent financing in the foreseeable future. A rising cash flow (estimated at near \$11 million in the coming year) and a line of revolving bank credit should together be sufficient to permit the fulfillment of its ambitious plans.

Operating in an area of retailing which is expected to continue undiminished in vigor over the coming years, Korvette should main-

This Week's Forum Participants and Their Selections

New York Trap Rock Corp.—Charles King, Partner, Charles King & Co., New York City. (Page 2)

E. J. Korvette, Inc.—Robert L. Schwartz, Research Dept., McDonnell & Co., Inc., New York City. (Page 2)

tain its strong forward momentum. Our analysis suggests that an average annual growth rate of 20% compounded can be maintained over the next several years. The recent market downturn affords another opportunity to include Korvette, the leading low-markup merchandiser and indeed the most vital enterprise on the current retail scene, in long-term growth portfolios. The shares are listed on the New York Stock Exchange.

CHARLES KING

Partner, Charles King & Co.,
New York City

New York Trap Rock Corporation

For nearly 100 years the crushed stone requirements of New York City and environs have been principally supplied by the New York



Charles King

Trap Rock Corporation and its predecessors and judging from the extent of its stone reserves, the company will continue in this position for another 100 years. The prospective demand for the next few years is quite impressive because of road and building requirements for New York World's Fair and other projects in the metropolitan area. Record earnings are anticipated during this period. Recently, management has taken steps to broaden operations by entering new fields and these and other factors make the company's stock an interesting growth situation.

At a price of 15, it is selling at less than 10 times this year's estimated earnings of \$1.75 per share, at about 60% of its heavily depreciated book value, and at a discount of 20% from the public offering price of \$19 per share in June, 1961 by a syndicate headed by Smith, Barney & Co.

Stone is quarried at the company's plants along the Hudson River. Approximately 86% is transported by the company's own barges to customers' docks in all five New York City boroughs and to Long Island, Northern New Jersey, Westchester County and points on the Hudson River north to Albany. This area includes some of the fastest growing parts of the United States. The company's stone is used extensively in road construction and repair, parking fields, airports, bridges and tunnels. The company estimates that it supplies not less than 50% of the total demand for crushed stone in its principal marketing area. Sales are made largely to construction material dealers who in turn sell to contractors, municipalities, and others. It is essentially a wholesale business and credit losses have been negligible.

Proven stone reserves at the company's four operating plants are estimated at between 31 years and 61 years of production at the average annual quarrying rates

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Fast Legislative Relief Can Prevent Rail Bankruptcies

By W. Wendell Reuss,* *Railroad Securities Dept., W. E. Hutton & Co., New York City*

Wall Street rail analyst pleads for quick legislative action permitting railroads, particularly the Eastern District now facing bankruptcy, to charge rates below the existing level. That level is said to be serving as an umbrella of protection over other competitive modes of transportation and, in turn, causing rails' unbridled financial plight. Mr. Reuss is strongly convinced that Government ownership and nationalization is inevitable unless this change and other rate equalizing changes are made. He points out that to reduce capitalization substantially is unfeasible and that any further cuts in outstanding securities would not solve the problem of unfair competition. The matter is said to be of direct concern to the public seeking lower transportation costs, to investment bankers, and even to the rails that are well off and located elsewhere. Data supplied show rails losing out drastically in tonnage carried and from resultant deficit operations and deficit finances.

To my amazement I still find people in responsible circles who continue blindly to think in terms of the railroad industry as being healthy and strong. These people may be found in labor circles, as well as among those having to do with legislation, regulation and taxation at the national and state levels.



W. Wendell Reuss

Let us look at that generalization that the railroad industry is "strong and healthy." There are eight regions geographically comprising the railroads of the United States which include the New England, Great Lakes, Central Eastern (the three regions combined commonly referred to as the Eastern District), Potomac, Southern, Northwestern, Central Western and Southwestern.

The Eastern District comprises that area of the United States from the northern and western shore of Lake Michigan southward through the Cities of Chicago and Peoria to St. Louis, and eastward generally including the area north of the Ohio and Potomac Rivers.

As to the importance of Eastern railroads in the total railroad picture—they number 39 out of a total of 103 railroads in the United States. These 39 railroads operate 22% of the nation's total miles of route, own more than 35% of the country's freight car and locomotive fleet and employ 37.4% of the nation's railroad workers. Their payroll totals \$1.7 billion, representing 37.5% of the total railroad payroll.

Turning back to the "boom" years of 1928-1929-1930 for railroad freight traffic—before the effects of the mighty depression of the thirties: Upon striking an average for this three-year period, and using it as a base, it is to be noted that for the Class I railroads, 1960's originated revenue freight tonnage was just 99.6% of the '28-'30 average. In other words "neck" and "neck" with the boom

period before the great depression —**CERTAINLY NO GROWTH!**

Viewing the vigorous fashion with which growth has revealed itself since that period in other lines of physical output, this contrast of railroad originated freight tonnage being equal to the '28-'30 average ALONE, should be a cautionary warning that the railroad industry on an overall basis is far from being "strong and healthy."

With the industry, as a whole, in 1960 equalling just a shade under 100% of the '28-'30 average in originated freight tonnage, allow me to point out the sober fact that the three regions comprising the Eastern District—the New England, Great Lakes and Central Eastern regions—for 1960 were 69.9% of the '28-'30 average—**THIRTY PERCENTAGE POINTS BELOW THE BASE PERIOD!**

To be more specific, the Eastern District for 1960 as concerns originated tonnage reported a total of 377 millions tons—against 540 millions for the average of the base period—a precipitous drop of 163 million tons! Looking further into this alarming statistical observation, the Eastern District's 1960 tonnage showing—outside of recession 1958—was the smallest since 382 millions way back in 1939!

And people—ill-advised—still talk about a strong and healthy railroad industry, at the same time continuing to close their eyes and ears to pleas for legislative corrections of some of the factors creating this condition!

Other geographical sections of American railroad freight traffic do not reveal the especial deterioration of the Eastern District carriers. Southern Region carriers for 1960 were 148% of the '28-'30 average as concerns originated tonnage; Potomac Region 130%; Central Western 132%; Southwestern Region 101%; and Northwestern 94.5%.

Now, to the meat of this exposition. Having explored the poor trend of freight traffic for the Eastern District railroads, let me point up the poor earnings trend for this district which, to me as a railroad analyst, if not reversed, spells financial trouble. I am referring to the record for just the last six years—1955 through 1961: This district—including the New

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OBSERVATIONS . . .

BY A. WILFRED MAY

THE STOCK MARKET'S FRANKENSTEIN

The speed-up of quotation services to the stock market community received a major upward "thrust" this week; with the announcement and exhibition of the Ultronic Stock Master, a button-pushing desk instrument with an answer-displaying window.

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SPEEDING-UP THE TOTE BOARDS

The "Stockmaster's" advent highlights the competitive speed-up raging within both the private and Stock Exchange spheres. The New York Stock Exchange now has on order, at a seven-figure cost, a hyper-technologically advanced ticker. Carrying up to 900 characters-per-minute, constituting an 80% increase over the present "inadequate" and "unexciting" ticker's speed, this new tape printer, along with advanced transmission equipment for the Exchange's nationwide network (including seaside and mountain resorts) of over 3,800 tickers will begin serving "the owners of American business" early in 1964.

The Big Board also has announced its receipt of proposals for a central Data Processing Computer to receive sales, volume, and bid-and-asked data directly from specialized equipment installed at each post on the trading floor. This computer, as described by Exchange officials, would "activate ticker circuits and [sic] create voices and messages to answer bid-and-asked and sales inquiries."

And not to be outdone in serving its "investors," the "junior" American Stock Exchange has on order an electronic "solid state" computer which will be able to handle 60-70,000 calls per hour.

In the "private sector" Quotron, a leading existing competitor of the Stockmaster producer is reported to be completing a new model to outstrip its successor; while in turn Stockmaster's man-

ufacturer is planning to come back with further speed-and-breadth by 1965. The company reports the exclusive assignment of "a large staff" to the new product area.

Implementation of the Liquidity Mania

In any event, the electronic wonders, on-and-off the Exchanges, will be importantly implementing the pervading Liquidity Mania and effectively furthering the beat-the-market goal ("Lack or delay of information costs the [sic] investor money," say the Ultronic people. . . "On May 28 the tape was over two hours behind actual floor transactions. The Stockmaster on a broker's desk would have given the broker and his client a significant advantage.")

Proponents of this new speed-up device call attention to the Stock Exchange's latest shareholder population figures, which it reports as having during the past decade increased by 162% to 17 million, with the men outnumbered by the women — of whom one out of six are widows. Surely the advent of King Electronics to the market is not exactly stimulating the investment (in lieu of gambling) proclivities of the new army of widows or their fellow novice of both sexes.

The breakdown of the market's machinery in the frenzied debacle of the "black" end-of-May days represented one of the major climaxes in the reporting mechanisms' losing race with speculative market activity which they themselves had built — a directly reciprocal process. We again saw that anti-social speed-up mechanics which, compounding market "liquidity," don't even work under their self-generated occasions of market liquidation. That the self-generated structure's eventual fall by its own weight applies price-wise as well as mechanics-wise.

Thus, man's growing trend toward the creation of his own destruction through misuse of his wondrous scientific achievements, also encompasses the stock market area — where successful pursuit of the liquidity fetish is truly creating a Frankenstein.

PICASSO versus IBM

One group of "Investors" to whom non-liquidity is now most welcome, are those in the Art field.

Surely the supposedly favorable post-Crash performance of the Art over the Stock Market largely stems from its lack of a reporting facility as the decimal point precision Exchange ticker for publishing price fluctuations. What a tranquillizing relief it is to the "proud possessors" to escape from facing objective reporting of market changes. (Hotel entrepreneur Conrad Hilton once told this impatient writer that the best remedy for elevator delay was not an efficient starter, but

removal of the indicators to spare the annoyed passengers from seeing "what goes on.")

And particularly helpful to aid the painting owner's peace of mind in a "bearish" period is the customary "explanation" of a picture's price decline on the ground of its being one of the artist's "bad pictures."

Verdict From the Realistic "Collectors"

Of little help to conclusions above the current art-versus-securities performance now is the \$1 million total of recent thefts in both the art and securities areas — the latter "divestments" taking place in leading investment firms and commercial banks. In the thieves' markets, those value-wise "collectors" have been unmistakably showing the highest material regard for both the IBMs and the Picassos.

The most popular "burglar" stocks have been IBM and AT&T (pilfered from both the Bache and Sutro broker "galleries"), followed by Bethlehem Steel ("removed" from Sutro), Xerox, and duPont (from the Bache "collection") and Federated Electric and Felmont (from Loeb, Rhoades & Co.) in the "new discovery" category.

Fully offsetting these "masterpieces" nabbed in the stock market world, are the Picassos, Viuillards, Renoirs, and Cezannes included in the \$5 million aggregate of picture thefts.

The Abortive Tulipomania Yard-Stick

Similarly of little aid to comparative Art-Securities deductions are the fashion-longevity records of the "hot" artists and their schools, and of stylish stocks or groups. The Impressionists, Post-Impressionists, and Abstractionists, the darlings of New York's 57th St. and Madison Ave. (for 20 years or more), as well as "growth" stocks (since the early 1950s), have already outlived the three-year (1634-37) popularity of Holland's comparable Tulip Bulb Mania.

The definitive verdict in the Post-Break Art-versus-Stock contest must wait!

Godfrey, Hamilton Branch

MIDDLESEX, N. J. — Godfrey, Hamilton, Taylor & Co. Incorporated has opened a branch office at 77 Main Street under the management of Gene W. Mulvihill.

New Graham & King Office

FT. LAUDERDALE, Fla. — Graham & King, Inc. has opened a branch office at 2743 East Oakland Park Boulevard under the management of Franklyn Ervin.

J. B. McLean Branch

GREENSBORO, N. C. — J. B. McLean & Co., Inc. has opened a branch office in the Southwestern Building under the direction of William Lybrook.

Houben Admits Partners

WASHINGTON, D. C. — Julien G. Redele and Hendrick J. van Kretschmar have been admitted to limited partnership with J. M. Vincent Houben in Houben & Company, 734 Fifteenth St., N. W.

Freeman Joins Michael Inv.

BRIGHTON, Mass. — Michael Investment Company, Inc. has opened a branch office at 350 Washington Street under the management of Wolfred Freeman. Mr. Freeman formerly conducted his own investment business in Brighton under the firm name of Freeman & Co.

Rothwell & Williams Brch.

BROOKLYN, N. Y. — Rothwell & Williams have opened a branch office at 189 Montague Street under the direction of Aubrey W. Williams.

The State of TRADE and INDUSTRY

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

The rate of economic expansion slowed markedly in June, but early evidence pointed to some improvement in July, reports the August Monthly Review of the Federal Reserve Bank of New York. Part of the sluggishness in June came from temporary influences in the automobile and steel industries. In July, with the Ford strike settled, auto assemblies moved up against the usual seasonal pattern. In the steel industry it appeared that production may be bottoming out. In addition, consumer spending seemed to have gathered strength.

Nevertheless, the economy continues to operate well below capacity. Moreover, some of the June figures that suggest levels of future activity—particularly new orders for durable goods and the number of housing starts—raise questions about underlying demand in the months ahead, the Bank notes.

Manufacturers' new orders for durable goods declined during the month by more than 4%, the fourth decline in five months. Moreover, declines in June were relatively widespread in industries outside of steel. Some of this slack, but apparently not all of it, reflected smaller defense orders than is usual at the end of the fiscal year.

The new depreciation rules may give some impetus, but there has been increased discussion of an early tax cut that would encourage spending and be consistent with a general tax reform. [Ed. Note: In address to the nation on Monday, Aug. 13, full text of which appears in this issue, President Kennedy stated that, under existing conditions, a reduction in corporate and personal income taxes will not be made effective until next January.]

The second quarter advance of \$7.0 billion in the seasonally adjusted annual rate of gross national product was only slightly larger than the modest gain of the first quarter. It reflected, however, a substantial reduction in inventory investment as steel users worked off enlarged stocks. The second quarter rise in final demand—GNP less the change in inventories—was \$10.2 billion, or nearly double the first-quarter gain. Furthermore, this sharp advance occurred even though the rise in Government purchases of goods and services was relatively small.

Despite these rather impressive gains in the second quarter as a whole, the pace slackened in June. Industrial production rose only 0.3%, the smallest monthly rise in four months. Employment in manufacturing industries was virtually unchanged from the month before, and average weekly hours (seasonally adjusted) of production workers declined for the second straight month. In July, according to the Census Bureau's household survey, total employment showed a little improvement, and the unemployment rate fell to 5.3%.

Reflecting the shorter work week in manufacturing, wages and salaries in these industries moved downward in June, the first decline since January. At the same time, retail sales declined for the second straight month. Consumer spending in July appeared to be stronger, however, paced by a rebound in sales of new cars and in department store sales.

Bank Clearings Down 0.3% From 1961 Week's Volume

Bank clearings this week will show a decrease compared with a

year ago. Preliminary figures compiled by the Chronicle, based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Aug. 11, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 0.3% below those of the corresponding week last year. Our preliminary totals stand at \$26,356,313,394 against \$26,429,675,142 for the same week in 1961. Our comparative summary for some of the principal money centers follows:

Week End.	1962	1961	%
Aug. 11—	(000s omitted)		
New York	\$14,322,466	\$14,453,280	-0.9
Chicago	1,209,639	1,172,854	+3.1
Philadelphia	1,000,000	1,035,000	-3.4
Boston	748,809	727,488	+2.9
Kansas City	457,617	477,418	-4.1

Steel's Output Unchanged From Preceding Week and Down 17.8% From Last Year's Week

According to data compiled by the American Iron and Steel Institute, production for the week ended Aug. 11, 1962, was 1,578,000 tons (*84.7%), these being the same levels achieved in the previous week.

Data for the latest week ended Aug. 11, 1962, shows a production decline of 17.8% compared to last year's week output of 1,910,000 tons (*102.5%).

Production this year through August 11 amounted to 63,079,000 tons (*105.8%), or 12.3% above the Jan. 1-Aug. 12, 1961, period.

The Institute concludes with Index of Ingot Production by Districts for week ended Aug. 11, 1962, as follows:

	* Index of Ingot Production for Week Ended Aug. 11, 1962
North East Coast	85
Buffalo	71
Pittsburgh	75
Youngstown	79
Cleveland	86
Detroit	94
Chicago	92
Cincinnati	78
St. Louis	98
Southern	97
Western	91
Total	84.7

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

Steel Sales Outlook Improves; Some Users Order Farther Ahead

The outlook for steel sales is improving, the Steel magazine reported.

Some users are starting to order a little farther ahead, probably because they've cut inventories to a point where they feel it's no longer safe to gamble. They're looking ahead to when heavy buying by automakers and appliance manufacturers may tighten the market.

Demand for steel will start accelerating noticeably when vacations taper off, automotive model changeovers end, and users complete their inventory adjustments.

Appliance manufacturers have apparently balanced their stocks. They're placing good sized orders for September shipment.

Automakers are beefing up orders of sheet and specialty steel, but they probably won't want heavy shipments until late September or early October.

Steelmakers think September shipments will probably exceed August's by about 10 to 15%.

Barring a sharp break in the economy, finished steel shipments will be at least 16 million tons in the third quarter and 18 million tons in the fourth.

Total shipments for the year will be about 74 million tons. That's less than most forecasters

ESTABLISHED 1894

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

The Robinson-Humphrey Company, Inc.

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

expected, but it's a substantial improvement over last year's figure (66.1 million tons) and it's the highest that shipments have been since 1957.

While steel inventory liquidation may not be over at the consumer level, it's a thing of the past at the mills. Steelmakers have liquidated surplus stocks, so any upturn in demand will be quickly reflected in higher production.

Production will advance this week for the sixth consecutive week as steelmakers keep pace with continued improvement in bookings.

Output will be higher than the 1,650,000 ingot tons that Steel estimates the industry poured last week. Output then was 4.6% above the previous week's.

Scrap activity slowed down last week, but prices remained firm. Steel's price composite on No. 1 heavy melting held at \$28 a gross ton for the second week.

With this year's auto model run virtually over, automakers have built 6.5 million 1962 cars vs. 5.4 million of last year's model—second only to 1955's 7.1 million.

Steel says all reports from Detroit indicate that the industry will hold the price line on its '63 models. Automakers hope to build 500,000 cars by Oct. 1 when most companies will start public introductions.

Third quarter production is forecast at 1.26 million units, a 37% increase over the same period last year.

Substantial Inventories Darken Steel Outlook

Steel orders continue to improve, but in a spotty and erratic manner, *The Iron Age* reports.

Principal factors in the market are the continued high level of steel stocks held by consumers, and some uncertainty about the overall economy. These combine to create a wait-and-see attitude on the part of consumers.

But inventories are apparently out of balance, in regard to both products and consuming industries, causing flurries of orders that fail to follow any pattern, seasonal or otherwise.

The chances of a September upturn remain clouded by an estimated 15.3 million tons of steel that will remain in the hands of users and steel service centers at the end of August. This will be significantly higher than expected, and indicates further liquidation well into the autumn.

The 15.3 million tons compare with the high of 18.7 million tons of steel stocks that had been accumulated by last March as a hedge against a possible steel strike.

In spite of hopes that an early settlement of the steel labor contract would ease the traditional problem of inventory liquidation, steel users were not able to make significant cuts into their stocks before June.

By the end of June, steel stocks were being worked off at the rate of over one million tons a month. Combined with the seasonal let-down among steel users, the result was the steel recession of June, July and August.

The *Iron Age* points to two factors that may help the rate of steel production more than the accepted fall seasonal upturn. First, with steel wage negotiations more than likely in 1963, there is less incentive at this time for too-severe inventory cutbacks. Logically, there is less reason for a steel user to cut his stocks of steel to the bone if a buildup is likely to follow early next year.

Second, the steel companies themselves have worked off sizable stocks of steel that had been built up and held at the mill. Sources indicate that mills worked off possibly 500,000 tons in July alone. This means that production actually lagged behind shipments

Continued on page 45

Lines on the Rails

By Dr. Ira U. Cobleigh, Economist

A short appraisal of some of the current problems and prospects of the railway industry; plus reference to certain equities that, in light of earnings' or mergers potentials, may now be undervalued.

The railroad shares have not been very glamorous lately. The upsurge they displayed after the war, spurred by the economies of conversion to diesels, has subsided. Even the tracks are quieter now, what with the widening use of welded rails which eliminate the "clickety clicks." And there have been problems: air, truck, water and pipeline competition, steady rise in labor costs, persistent featherbedding (firemen with no fires to tend), fading passenger revenues, unprofitable commuter runs, and natural gas replacing coal for many fuel uses.

Essential Transportation

The rails have, in any event, essential duties to perform. During the war they carried about 70% of our intercity freight; and they might be thus called upon again. In the long haul transport of many bulk commodities and heavy industrial outputs, they still offer the lowest rates and fastest service; and their all weather dependability makes them handy to have around when airports are fogged in, and highways congested or snowbound. And, of course, in the market, the Dow-Jones rails have the duty of acting as bishops in confirming (under the Dow Theory) the advance or decline of the Dow-Jones Industrials. Moreover, despite their faded market popularity, many of them are, year after year, making profits, paying dividends and broadening future horizons with land developments or "outside" investments.

Favorable Political Climate

Further, the climate of opinion in Washington is more sympathetic toward the rails than it has been for years. There is genuine political concern about railway employment, solvency and profitability, and no clamour whatever for public ownership. The new work rules favored by a Presidential Commission will, despite injunctions, probably go into operation by the year end; new depreciation rules encourage modernization; the 10% excise tax on railway passenger traffic will be eliminated Nov. 15, 1962. Ahead lie plans to permit lower freight rates to meet competition; and favorable consideration or approval of geographic and strategic mergers.

Mergers

In the 1920's there were a whole series of projected mergers which made boardroom gossip and often spawned market spurts in the affected shares. Today, some of these storied combinations are to become realities. Ultimate merger of Seaboard and Atlantic Coastline is "a natural." Southern Pacific, Atcheson, Western Pacific and Rock Island make a logical combination — especially the Southern Pacific and Rock Island one which is "end to end." Norfolk & Western (itself a blending with Virginian) now is romancing Nickel Plate, and into this orbit Erie-Lackawanna seeks entry. Interstate Commerce Commission hearings on the Pennsylvania-New York Central joining open on Aug. 20, and in this complex a welding of the Boston and Albany, the Boston and Maine and the New Haven may find a home. An examiner has already ruled favorably on the C&O, B&O wedding, with Western Maryland as an intended bridesmaid. Another likely combine is Illinois Central, Louisville & Nashville, Northwestern and Gulf Mobile and Ohio. A merger that might have happened 60 years ago — Great Northern, Northern Pacific and

the past and these new developments make its future appear interesting.

Southern Railway

Southern is well managed and serves a broadly expanding population and industrial area in the South, and has a solid long-term record of sustained earnings. Its common at 47½ with a \$2.80 dividend affords a desirable yield. Earnings for 1962 are in a rising trend. Southern was the first major road to become 100% dieselized (in 1953).

Others

On the basis of yield, Seaboard is attractive at 24 with a \$1.60 dividend. Western Maryland at 15 paying \$1.00 is favorably regarded because it has no passenger business, and is in line for favorable treatment on the expected C&O, B&O merger plans. Illinois Central should earn \$4.50 a share this year, up over 10% over 1961. Union Pacific which has paid \$1.60 annually since 1957 seems a sensible value at 30.

For balance sheet book values, liberal dividend policies, generous yields and market dignity, the rails merit the consideration of investors. Issues of particular attraction would include those whose managements are superior, whose earnings are rising, and those with substantial collateral investments and land holdings.

Goodbody Adds to Staff

ATLANTA, Ga.—Willis Dobbs, Jr. has been added to the staff of Goodbody & Co., 59 Marietta St., Northwest.

Tucker, Anthony Adds to Staff

Tucker, Anthony & R. L. Day, members of the New York, American and Boston Stock Exchanges, have announced that Rudolph J. Russo and Kingsland D. Weed have become associated with the firm. The former will be manager of the Bank Stock Trading Dept. and Mr. Weed will be Senior Bank Stock Analyst. They will be connected with the firm's New York office, 120 Broadway.

White, Weld to Admit Knowlton

On Sept. 1 White, Weld & Co., 20 Broad Street, New York City, members of the New York Stock Exchange, will admit Winthrop Knowlton to partnership.

With Stone & Webster

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Christopher Dumaine, Jr. has become affiliated with Stone & Webster Securities Corp., 49 Federal Street. He was formerly with Hutchins, Mixter, Parkinson & Co.

Two With First Nebraska

(Special to THE FINANCIAL CHRONICLE)

LINCOLN, Neb.—John W. Alloway and Gordon M. Hull are now connected with First Nebraska Securities Corp., 1001 "O" Street.

PRIMARY MARKETS FOR INSTITUTIONAL INVESTORS

U. S. Governments
Federal Agency Issues
Municipals
Public Utilities
Industrials
Railroads
Equipment Trusts
Bankers Acceptances
Certificates of Deposit
Finance Paper
Canadian Issues
Preferred Stocks



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SAN FRANCISCO DALLAS PALM BEACH

Tax-Exempt Bond Market

By GEORGE L. HAMILTON*

The state and municipal bond market has given a good account of itself during the past week. Its tone has been firm and good business has been done despite the distracting headlines heralding the Russian Astro-Twins' orbiting of the earth and President Kennedy's nation-wide telecast on the U. S. economy and tax reductions. Nonetheless, investor interest in tax-exempt bonds has been prevalent and evidence of considerable daily business has been easily discernable.

New issue volume during the past week totaled about \$130,000,000 and included numerous issues of general market importance. Generally the bidding for these issues was up at least 15/100ths in yield as against the level of a week or two back. However, the *Commercial and Financial Chronicle's* high grade general obligation bond yield index represents an average market rise of only one-eighth of a point. Since this yield index represents actual secondary offerings, it does not give immediate effect to stronger new issue bidding. By their general nature, yield indices must be behind the market somewhat, and consequently, they are usually of limited value. A week ago the yield index stood at 3.123%; presently the index stands at 3.112%.

The factors tending to give the municipal bond market a better tone include the successful termination of the recent Treasury financing and the improvements in these markets during the past week; the quick sellout of the \$100,000,000 Southwestern Bell Telephone 4 1/2s and the successful placement of \$15,000,000 New York State Electric & Gas debentures, which gave the market a lift, and, of course, the decision by the President to postpone a tax cut until comprehensive tax reform legislation can be presented to Congress next year.

Commercial Banks Dominant Factor in Municipal Market

Once again, commercial banks, after a lull of four to six weeks, were the dominant factor in the municipal bond market and particularly in the new issue phase of the business. Large New York and out-of-town banks were big buyers of the important flotations which came to market during the past week and helped immeasurably to make successful underwritings of these loans.

As we reported in earlier columns, and it is worth repeating, the \$10.7 billion holdings of tax-exempt state and local government securities on June 30, 1962 by the nation's 100 largest commercial banks reflected a record increase of 40.9% over the comparable figure a year earlier. With no large rush by manufacturers and stores for business and commercial loans, and with individual

*Pinch-hitting for Donald Mackey.

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	3.25%	3.35%
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%	3.30%
Baltimore, Md.	3 1/4%	1981	3.20%	3.10%
*Cincinnati, Ohio (U. T.)	3 1/2%	1981	3.25%	3.10%
Philadelphia, Pa.	3 1/2%	1981	3.40%	3.30%
*Chicago, Ill.	3 1/4%	1981	3.30%	3.20%
New York, N. Y.	3%	1980	3.55%	3.45%

Aug. 15, 1962 Index=3.112%

*No apparent availability.

1992 maturity carried a 1% coupon and was offered at a 4.25% yield.

Week's Major Sale

Tuesday was a hectic day with three issues of note selling at competitive bidding. The largest issue of the week, \$30,000,000 Pennsylvania General State Authority (1965-1989) bonds, was awarded to the Halsey, Stuart & Co., Inc. group after very close bidding at a 3.3927% net interest cost. The runner-up bid of a 3.3974% net interest cost was made by the Drexel & Co. syndicate.

Other major members of the winning group are C. J. Devine & Co., Glore, Forgan & Co., Blair & Co., Inc., Merrill Lynch, Pierce, Fenner & Smith Inc., Stone, Webster Securities Corp., Salomon Brothers & Hutzler, R. W. Pressprich & Co., Bear, Stearns & Co., Ira Haupt & Co., Hornblower & Weeks, J. C. Bradford & Co. and Weeden & Co. The bonds were offered to yield from 2.10% in 1965 to 3.55% in 1989. Initial sales have been good with the present balance \$4,222,000.

The City of Oklahoma City, Okla. came to market with \$10,195,000 various purpose, unlimited tax, bonds. Of this total \$9,750,000 were awarded to the account managed by The First National City Bank and The Continental Illinois National Bank & Trust Co. \$6,000,000 at a net interest cost of 3.1989%, \$1,500,000 at 3.2019%, and \$2,250,000 at 3.2042%. These bonds, due 1964-1986, were reoffered at yields ranging from 1.90% to 3.40%. The 1987 maturity bearing a 1% coupon and yielding 4.20% was not reoffered.

Other members of the winning group were Wertheim & Co., The First National City Bank and Trust Co. of Oklahoma City, Barr Brothers & Co., The Marine Trust Co., Hayden, Stone & Co., and the Fidelity Union Trust Co. of Newark. Second bidder was a First National Bank of Chicago group with an approximate net interest cost of 3.222%. The First National Bank and Trust Co. of Oklahoma City won the remaining \$445,000 bonds. At the end of the first day of offering the bonds were marked all sold and the account closed.

The City of St. Paul, Minnesota awarded \$9,662,000 various purpose (1965-1992) bonds to the Halsey, Stuart & Co., Inc. - Morgan Guaranty Trust Co. syndicate at an average net interest cost of 3.23%. The second bidder was The First National Bank of Chicago account which submitted a 3.257% net interest cost. The bonds were reoffered to yield 2.90% in 1965 to 3.40% in 1992.

Other members of the winning syndicate were Carl M. Loeb, Rhoades & Co., Blair & Co., Inc., Shearson, Hammill & Co., Rand & Co. and Ball, Burge & Kraus. At the close of business on Wednesday, the account was about one-third sold.

More Competitive

Wednesday also saw three issues of importance sell at public bidding, with competition among underwriters more competitive than the previous day. The City of Houston, Texas, awarded \$16,000,000 various purpose (1963-1982) bonds to the group managed by the First National City Bank at a 3.05% net interest cost. A 3.08% net interest cost was entered by The First Boston Corp. - Smith, Barney & Co. account. The bonds were reoffered to yield 1.70% in 1963 to 3.25% in 1982.

Other members of the winning syndicate were the Harris Trust and Savings Bank, Morgan Guaranty Trust Co., Mellon National Bank & Trust Co., Shields & Co. and Kuhn, Loeb & Co. As we go to press, the account is 70% sold.

The improvement in the new issue market was exemplified by the strong bidding by dealer bank

Continued on page 45

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.

August 16 (Thursday)			
Hillsdale Sch. Dist., Ohio	1,100,000	1964-1985	1:00 p.m.
London, Ky.	1,150,000	1964-1983	7:00 p.m.
Syracuse University, N. Y.	3,000,000	1964-2001	11:00 a.m.
Washington Sub. San. Dist., Md.	4,000,000	1963-1992	11:00 a.m.
August 17 (Friday)			
Elizabethtown College, Elizabethtown, Pa.	1,000,000	1964-1995	2:00 p.m.
Las Cruces Sch. Dist. No. 2, N. Mex.	1,200,000	1963-1967	10:00 a.m.
August 20 (Monday)			
Bowling Green City S. D., Ohio	2,040,000	1964-1983	Noon
Florida Development Commission	3,550,000	1963-1988	11:00 a.m.
Garfield Heights City S. D., Ohio	1,000,000	1964-1983	1:00 p.m.
Washington (Olympia)	37,000,000	1963-1981	11:00 a.m.
Western Illinois Univ., Macomb, Ill.	6,750,000	1965-2002	-----
August 21 (Tuesday)			
Albuquerque, N. Mex.	7,759,000	1963-1982	10:00 a.m.
Essexville-Hampton S. D., Mich.	2,600,000	1963-1979	8:00 p.m.
Indian River Co. Special Tax Sch. District No. 1, Florida	2,280,000	1964-1982	2:00 p.m.
Lafayette, La.	3,500,000	1965-1991	10:00 a.m.
Fasadena, Texas	1,600,000	-----	-----
Somerset, Kentucky	3,000,000	1964-1983	7:15 p.m.
Tehachapi Unified Sch. Dist., Calif.	1,200,000	1966-1977	11:00 a.m.
August 22 (Wednesday)			
Henry Co. (Martinsville), Va.	1,000,000	1963-1982	Noon
Jefferson Co. Public Properties Corp., Ky.	1,176,000	1963-1982	-----
Local Housing Authorities	106,210,000	1963-2003	Noon
Milo, Jerusalem, Benton etc., Central Sch. Dist. No. 1, New York	2,100,000	1963-1991	2:30 p.m.
August 23 (Thursday)			
Beverly, Massachusetts	2,000,000	1963-1982	11:30 a.m.
Bulloch Co. County Sch. Dist., Ga.	1,250,000	1963-1987	11:00 a.m.
Forest Hills Local Sch. Dist., Ohio	1,910,000	1964-1983	1:00 p.m.
Waltham, Massachusetts	2,000,000	1963-1982	11:00 a.m.
August 24 (Friday)			
Congregation of the Sisters of St. Joseph of Boston, (Weston, Mass.)	1,000,000	1964-1991	11:00 a.m.
August 28 (Tuesday)			
Boston Metropolitan Dist., Mass.	1,999,000	1973-1992	11:00 a.m.
East Chicago, Indiana	7,500,000	1965-1986	1:00 p.m.
Fairbanks, Alaska	1,500,000	1963-1982	10:00 a.m.
Knoxville, Tennessee	1,200,000	1964-1983	Noon
New Bern, North Carolina	1,750,000	1965-1986	11:00 a.m.
Pasadena, Texas	1,600,000	1967-1977	7:30 p.m.
August 29 (Wednesday)			
Hamilton Tp. Sch. Dist., N. J.	1,680,000	1964-1981	8:00 p.m.
Los Angeles, Dept. of Water Power, California	33,300,000	-----	11:00 a.m.
September 1 (Saturday)			
Grandville Sch. Dist., Mich.	2,150,000	-----	-----
Jacksonville, Fla.	7,650,000	-----	-----
September 4 (Tuesday)			
Riverside Jr. College Dist., Calif.	2,000,000	1963-1982	11:00 a.m.
September 5 (Wednesday)			
Mio Au Sable Sch. Dist., Michigan	1,084,000	1963-1988	8:00 p.m.
Southeast Missouri State College	2,500,000	1965-2002	-----
September 6 (Thursday)			
Fayette Co., Pennsylvania	1,282,000	1963-1990	11:00 a.m.
La Crosse Co., Wisconsin	2,125,000	1963-1976	1:30 p.m.
Norfolk, Virginia	2,525,000	1964-1983	2:30 p.m.
September 10 (Monday)			
Jackson Tp. S. D., N. J.	2,000,000	-----	8:00 p.m.
Westminster, Water, Colo.	2,500,000	-----	-----
September 11 (Tuesday)			
Lakewood Sch., Dist., Michigan	1,655,000	1963-1991	8:00 p.m.
September 12 (Wednesday)			
Lane & Douglas Cos., So. Lane School District No. 45J3, Ore.	1,250,000	1964-1983	8:00 p.m.
Los Angeles Co. Co. San. District No. 4, California	2,480,000	1963-2002	2:00 p.m.
New Orleans, La.	10,000,000	1964-1987	10:00 a.m.
San Jose, Calif.	4,400,000	1963-1982	11:00 a.m.
Toledo University, Toledo, Ohio	1,700,000	1963-1992	Noon
September 17 (Monday)			
Warrensville Hghts-Village Local S. D., Ohio	1,600,000	-----	-----
September 18 (Tuesday)			
Bloomington, Minn.	1,500,000	-----	10:00 a.m.
Omaha, Neb.	7,200,000	1964-1981	-----
Weber Co., County S. D., Utah	1,727,000	-----	-----
September 25 (Tuesday)			
Eugene, Ore.	2,500,000	-----	-----
Greensboro, N. C.	6,790,000	-----	-----
October 2 (Tuesday)			
Los Angeles County Flood Control District, California	10,000,000	-----	-----
October 10 (Wednesday)			
Lexington, Ky.	1,025,000	-----	-----

FROM WASHINGTON . . . Ahead of the News

Is the Common Market A "Rich Man's Club"?

BY CARLISLE BARGERON

By Paul Einzig

It is costing the United States a good billion dollars a year trying to hold back the flow of gold abroad. Secretary of Defense McNamara has adopted a Buy American plan in the purchase of supplies for our troops abroad. This is expensive because the American purchases of goods that are available abroad come higher in this country and, in addition, there is the transportation cost.

One item that stands out is coal. We used to get coal for the troops in Germany from Poland. An outcry was raised by the coal industry in this country and then there was the flow of American dollars. We are now using American coal.

There was a time when we could do pretty much as we wanted to with our currency. The demand all over the world was for American dollars. Now we have to watch the money markets of Zurich, Basel, Bonn, Paris and London every time we make a move.

There is a story circulating in Washington that the last time Secretary of State Dean Rusk was in Bonn a high German official told him:

"If we were to demand gold for the dollars we hold you would be in a tailspin."

Rusk is said to have replied: "If we were to cut off our foreign aid you would be in a tailspin, too."

The supposed colloquy points up how shaky the world financial situation is. Manifestly, if we were to cut off foreign aid we would have an ample gold supply. Another way to conserve it is to reduce the number of troops we have in 25 localities over the world.

Mr. Kennedy intends to do neither. In fact, notwithstanding the widespread complaints we hear about foreign aid it seems to be gaining converts as the years go by. This year it approaches \$5 billion. Every year at appropriation time the hatcheteers start after foreign appropriations. The House, under the leadership of Congressman Otto E. Passman, Chairman of the sub-committee having to do with foreign aid appropriations, will succeed in reducing the aid nearly a billion dollars. Then the Senate will restore it and, out of the tussle between the two houses, the appropriation will come out about as the White House requested. It is expected to be no different this year.

Secretary McNamara with his Buy American movement is trying to reduce the \$3 billion which it costs to supply and house and otherwise support our troops abroad. Three billion dollars is not the total cost of maintaining them. It runs far above this.

The gold is flowing out, recently at a reduced rate, in a volume that seriously and immediately endangers the value of U. S. currency. The wise men of Wall Street are saying that the United States will inevitably have to devalue its currency, though President Kennedy has made a public international commitment not to do so.

President Eisenhower attempted to reduce American spending abroad by calling home the dependents of our troops and refusing to permit anymore to go over there. Mr. Kennedy reversed this decision.

The situation is so serious that it is surprising there is not a more determined effort to curtail our

foreign aid spending by reducing the number of our troops abroad. But there are powerful business forces behind the foreign aid spending. The story is that the money is spent in this country.

Mason & Lee Promotes Officers

LYNCHBURG, Va.—Mason & Lee, Inc., 8th & Church Streets, members of the Philadelphia-Baltimore Stock Exchange, have an-



Walter G. Mason Aubrey L. Mason

nounced that Walter G. Mason, formerly President, has been elected to the newly created position of Chairman of the Board.

Ernest Williams II has been named President of the firm, succeeding Mr. Mason, and Aubrey L. Mason was appointed Executive Vice-President. Other officers are Burton P. Lee, and Robert W. Day, Vice-Presidents; R. C. Paxton, Secretary-Treasurer.

Tony Garat With Wheeler & Co.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Tony Garat has become associated with Wheeler & Co., 618 South Spring Street, members of the Pacific Coast Stock Exchange. Mr. Garat was formerly an officer of Garat & Polonitz, Inc. and prior thereto was an officer of Arthur B. Hogan Inc.

Piper, Jaffray Adds

(Special to THE FINANCIAL CHRONICLE)

MINNEAPOLIS, Minn.—Arthur D. Hyde, Jr. is now with Piper, Jaffray & Hopwood, 115 South Seventh Street, members of the New York and Midwest Stock Exchanges. Mr. Hyde was formerly with Investors Diversified Services and prior thereto was with White, Weld & Co.

Gofrey, Hamilton Branch

BROOKLYN, N. Y.—Louis A. Gambello is manager of the branch office at 428 Court Street recently opened by Godfrey, Hamilton, Taylor & Co Incorporated.

Albert Yanow Opens

NEEDHAM, Mass.—Albert Yanow is engaging in a securities business from offices at 780 Webster Street under the firm name of Albert Yanow & Co. He was formerly with Brown & Co.

Joins Hartzmark Co.

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—James Asvestas has joined the staff of Hartzmark & Co., Inc., East Ohio Building, members of the New York Stock Exchange. Mr. Asvestas was formerly with Edward N. Siegler & Co. and Wilvington-Williams, Inc.

British economist reports that delay in U. K.'s negotiations with Common Market affords opportunity to examine its members' prospective role as beneficiaries of losses of poorer countries. This, Dr. Einzig maintains, conforms to the "Trade-Not-Aid" situation following initiation of our generous Marshall Aid with huge cost to the American taxpayer. Predicts the new mechanism will similarly make it more difficult to cut U. S. A.'s current burdensome aid.

LONDON, England—The delay resulting from the interruption of the Brussels negotiations about Britain's admission to the Common Market should provide opportunity for examining the new argument produced in British official circles rather late in the day.—that the system established under the Rome Treaty is in reality a "rich man's club" and the advantages gained by its members have to be paid for by losses of poorer countries. The protection given to European agriculture working at high cost means that agriculture outside Europe has to suffer. The hope of underdeveloped countries to raise their standard of living by means of industrialization will suffer a setback as a result of the gradual exclusion of their manufactures from the European market by means of the external tariff wall of the European community within which foreign trade in each other's manufactures is becoming increasingly free.

Self-Contradictory

This change is in sharp conflict with the much-publicized intention of the Western countries to assist underdeveloped countries. It seems that, instead of assisting the latter in their effort to better themselves, those efforts will be increasingly frustrated. This necessarily means that, in order to offset the resulting deterioration of conditions of the underdeveloped countries, they have to be given external aid on an increasing scale. In other words, instead of accepting their goods, members of the European economic community will have to make them large grants or loans. The difference between the two forms of financial assistance is merely that while the grants are written off as a dead

loss immediately, the loans are only written off after a number of years when they are defaulted upon or are repudiated in due course. In other words, instead of enabling these countries to work out their salvation and earn an honest living, they are forced to live on charity or to turn dishonest by defaulting on their obligations.

Misguided Policy

This self-same policy was actually pursued by the United States during the post-war period. Throughout the long years of dollar scarcity American foreign economic policy, while granting Marshall Aid generously, was doing its utmost to prevent European and other countries from working out their salvation through increasing their exports to the United States. The slogan "trade not aid" was replaced by the reverse slogan "aid not trade." This misguided policy cost the American taxpayer many billions of dollars. Which fact does not prevent the United States authorities from continuing to apply it even now.

At the same time the State Department has been using its influence to persuade the British Government to join the Common Market on terms which would further extend the application of the "aid not trade" doctrine. The repercussions on underdeveloped countries appear to have been overlooked in Washington and until quite recently also in London. Now that somewhat belatedly they came to be realized in London, it is to be hoped that the British negotiators will receive support from Washington in their effort to make the Common Market governments realize it.

Although it is the declared policy of the United States Government to induce the Western European Governments to take an increasing share in assistance to underdeveloped countries, it seems that in Washington assistance can only be conceived in the form of aid and not in the form of trade. Yet what is the use of helping these countries to develop new industries and then preventing the export of their goods? And what is the use of granting them financial assistance and at the same time excluding their agriculture products from the European markets? It just does not make sense.

Damage to the Underdeveloped Nations

Unless this "aid not trade" policy is reversed the discrepancy between the standard of living in developed and underdeveloped countries will inevitably increase further, as a result of the progress of the Common Market both through the increase in its membership and through the increase in the extent of discrimination between non-members. The damage thus inflicted on underdeveloped countries will further increase the necessity for economic aid in the form of outright gifts or in the form of loans which will never be repaid, or capital investment which will be expropriated in due course. There might have been some justification for such a policy in the 'forties and the early 'fifties, because it was of the utmost importance that Western Europe should recover. But now Western Europe has recovered and there is no justification for achieving its further enrichment at the cost of a further deterioration of less fortunately placed countries.

By supporting the "aid not trade" policy the United States will make it more difficult to cut down economic aid which, given the balance of payments position, they can ill afford. In theory the Western European countries will be expected to increase their assistance to underdeveloped countries. In practice hardly any of them is likely to respond with sufficient generosity. In any case, requirements are so vast that any conceivable assistance is bound to be a mere drop in the ocean. What is needed is more trade and not more aid.

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

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FINKLE & Co.

August 13, 1962.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Aluminum Industry — Analysis with particular reference to **Aluminum Co. of America, Kaiser Aluminum & Chemical Corp.** and **Reynolds Metals Co.**—Purcell & Co., 50 Broadway, New York 4, N. Y. Also available is a bulletin on **Gulf Oil**.

Canadian Steel Industry—Analysis—Greenshields Inc., 507 Place d'Armes, Montreal, Que., Canada. Also available are reports on **Canadian Uranium Stocks and Oil and Natural Gas**.

Convertible Bonds as a hedge—Discussion—The Milwaukee Co., 207 East Michigan St., Milwaukee 2, Wis. Also available are comments on **Aluminum Specialty, American Distilling, Hunt Foods, Marine Corp., and Phillips Petroleum**.

Convertibles as a hedge—Discussion—Garvin, Bantel & Co., 120 Broadway, New York 5, N. Y.

Gold Stocks—Review of 20 issues—Draper Dobie & Co., Ltd., 25 Adelaide St., West, Toronto, Ont., Canada.

Industrial Revenue Bonds—Discussion—Goodbody & Co., 2 Broadway, New York 4, N. Y.

Japanese Construction Industry—Review with particular reference to **Kajima Construction Co., Ohbayashi Gumi Ltd., Shimizu Construction Co.**—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are comments on **Matsuo Bridge Co., Ltd., Miyaji Iron Works Ltd. and Yokogawa Bridge Works Ltd.**

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

Japanese Market — Review — Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also available is an analysis of **Mitsukoshi Ltd.**

Institutional Holdings of Over-the-Counter Industrials and Utilities — Brochure listing 90 OTC industrial and utility stocks held by leading investment and insurance companies, number of institutions holding each, the 1961-62 fiscal and interim per share earnings, current price and 1962 high-low—Troster, Singer & Co., 74 Trinity Place, New York 6, N. Y.

Manufactured Home Industry — Survey with particular reference

to **Swift Homes Inc.**—Eastman Dillon, Union Securities & Co. 1 Chase Manhattan Plaza, New York 5, N. Y. Also available is a bulletin on **Standard & Poor's Corp.**

Municipal Industrial Financing—Discussion—Bacon, Whipple & Co., 135 South La Salle St., Chicago 3, Ill.

Natural Gas Distributors—Memorandum—Jackson, McFadyen Securities Ltd., 455 Craig St., West, Montreal, Que., Canada.

New York City Bank Stocks — Comparison and analysis of ten leading New York City banks — Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Opportunities for Capital Gain in Canadian Stocks—James Richardson & Sons, Inc., 14 Wall St., New York 5, 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.

Over the Counter Stocks—Comments on **Swank, Inc., California Interstate Telephone, Universal Publishing and Distributing, National Periodical Publications, Anheuser-Busch, Whitin Machine Works, Yardney Electric, Mine Safety Appliances, Transogram Co., and Oil Recovery Corporation**—Troster, Singer & Co., 74 Trinity Place, New York 6, N. Y.

Savings & Loan — Bulletin — Walston & Co., Inc., 74 Wall St., New York 5, N. Y. Also available are **Switch Suggestions**, 10 issues with attractive **Yield**, and a memorandum on **Interstate Engineering**.

Savings & Loan Industry—Review—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available are reviews on **General Public Utilities Corp.** and **John Wiley & Sons**.

Selected List—Brochure of data on selected issues—Revised as of mid-year—Bache & Co., 36 Wall St., New York 5, N. Y.

Selected Stocks—Commentary on 43 issues — Butcher & Sherrerd,

1500 Walnut St., Philadelphia 2, Pennsylvania.

Tobacco Stocks — Report with particular reference to **Philip Morris, Inc., Imperial Tobacco Co. of Canada, America Tobacco, Reynolds Tobacco, Liggett & Myers Tobacco Co., P. Lorillard, and United States Tobacco**—Lubetkin, Regan & Kennedy, 44 Wall Street, New York 5, N. Y.

Toy Industry — Analysis with particular reference to **Mattel Inc. and Playskool Manufacturing Co.**—F. S. Moseley & Co., 50 Congress St., Boston 2, Mass.

Western Pennsylvania Corporations—1962 edition of brochure of information on 86 Western Pennsylvania corporations — Singer, Deane & Scribner, Union Trust Building, Pittsburgh 19, Pa.

ABC Vending — Memorandum — Penington, Colket & Co., 70 Pine St., New York 5, N. Y. Also available are memoranda on **Arkansas Louisiana Gas, Heller, International Resistance and Suburban Gas**.

Air Products — Discussion — Stearns & Co., 80 Pine St., New York 5, N. Y.

Air Reduction Co. — Report — Colby & Co., Inc., 85 State St., Boston 9, Mass. Also available is a report on **United Aircraft**.

American Broadcasting - Paramount — Bulletin — Evans & Co., Inc., 300 Park Ave., New York 17, New York.

American Chain & Cable—Memorandum — Pershing & Co., 120 Broadway, New York 5, N. Y.

American Cyanamid—Memorandum — Dean Witter & Co., 45 Montgomery St., San Francisco 6, Calif.

Ancher Hoeking Glass—Memorandum — Westheimer & Co., 322 Walnut St., Cincinnati 2, Ohio.

Associated Spring Corp.—Analysis—Chas. W. Scranton & Co., 209 Church St., New Haven 7, Conn. Also available are analyses of **Florida Gas Co., Hanover Insurance Co., Maryland Casualty Co. and National Union Fire Insurance Co.**

Atlas Consolidated Mining and Development Corp. — Bulletin — De Witt Conklin Organization, 120 Broadway, New York 5, N. Y. Also available is a bulletin on **Pacific Gamble Robinson Co.**

B. C. Telephone — Analysis — Royal Securities Corp., Ltd., 244 St. James St., West, Montreal 1, Que., Canada. Also available are analyses of **Calgary Power Ltd., Canadian Cejanese Ltd., Du Pont of Canada Ltd. and Shawinigan Water & Power Co.**

Barber-Greene Co. — Analysis — A. C. Allyn & Co., 122 South La Salle St., Chicago 3, Ill. Also available is a list of selected **Convertible Securities** and memoranda on **Dana and Gardner** and a brochure on **The Richardson Company**.

Beech-Nut Life Saver Inc.—Report—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

Bird & Son, Inc.—Analysis—May & Gannon Inc., 40 Federal St., Boston 10, Mass.

Boeing Co. — Report — Carl M. Loeb, Rhoades & Co., 42 Wall St., New York 5, N. Y. Also available are data on **American Enka Corp., Falstaff Brewing Corp., Illinois Central Railroad Co., and Kawecki Chemical Co.**

L. E. Carpenter & Co., Inc. — Analysis — Hornblower & Weeks, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are analyses of **National Work-Clothes Rental and National Aviation Corp.**

Caterpillar Tractor — Survey — Shields & Co., 44 Wall St., New York 5, N. Y. Also available are comments on **Aldens and Gulf & Western Industries**.

Consolidated Edison Co.—Memorandum—Bruns, Nordeman & Co., 115 Broadway, New York 6, N. Y.

Also available is a memorandum on **Victoreen Instrument**.

Cross Co. — Analysis — Murray Frumin & Co., Penobscot Building, Detroit 26, Mich. Also available is a report on **Winkelman Brothers Apparel Inc.**

Delford Industries, Inc.—Study—Weisel, Kleinman & Co., Inc., 600 Old Country Road, Garden City, New York.

Deltown Foods, Inc.—Analysis—A. G. Becker & Co., Inc., 60 Broad St., New York 4, N. Y.

Electrolux Corp. — Analysis — Shearson, Hammill & Co., 14 Wall St., New York 5, N. Y.

Far West Financial Corp.—Analysis — Stewart-Eubanks-Meyerson & Co., 216 Montgomery St., San Francisco 4, Calif.

Filon Corp.—Report—Morgan & Co., 634 South Spring St., Los Angeles 14, Calif.

Funded Security Corp.—Memorandum — Freehling Meyerhoff & Co., 120 South La Salle St., Chicago 3, Ill.

Gamble-Skogmo, Inc.—Analysis—John H. Kaplan & Co., 120 Broadway, New York 5, New York.

General Electric — Review — Robert W. Baird & Co., 110 East Wisconsin Ave., Milwaukee 1, Wis. Also available are data on **Texaco and Singer Manufacturing**.

General Life Insurance Corp. of Wisconsin—Memorandum—Berry, Douglas & Fitzhugh, Inc., Stahlman Building, Nashville 3, Tenn.

Georgia Pacific—Report—Ross Lyon & Co., Inc., 41 East 42nd St., New York 17, N. Y.

Grumman Aircraft Engineering Corp. — Report — Edwards & Hanly, 100 North Franklin St., Hempstead, N. Y.

Harris Intertype Corp.—Report—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y.

Hazeltine Corp.—Report—Butler, Herrick & Marshall, 76-11 Thirty-seventh Ave., Jackson Heights 72, New York.

International Silver—Memorandum — Kalb, Voorhis & Co., 27 William St., New York 5, N. Y. Also available are memoranda on **Electric Bond & Share and Eastern Gas & Fuel Associates**.

Lily-Tulip Cup Corp.—Analysis—Butler, Herrick & Marshall, 75-11 Thirty-seventh Avenue, Jackson Heights 72, N. Y.

Litton Industries—Memorandum — E. F. Hutton & Co., 623 South Spring St., Los Angeles 14, Calif.

Lockheed Aircraft Corp.—Review—Hemphill, Noyes & Co., 8 Hanover St., New York 4, N. Y. Also available is a review of **McDonnell Aircraft**.

E. F. MacDonald Co.—Report—De Mott Associates, Inc., 600 Old Country Road, Garden City, N. Y.

Malone & Hyde, Inc.—Analysis—Wilder, Hansbrough, Finch & Co., Du Pont Building, Memphis 3, Tenn.

Maremont Corp.—Data—Bregman, Cummings & Co., 4 Albany St., New York 6, N. Y. Also available are data on **Textron Inc.**

McCall Corp.—Review—Fahenstock & Co., 65 Broadway, New York 6, N. Y. Also available is a review of **National Fuel Gas**.

McDonnell Aircraft Corp.—Discussion in current issue of "Investors Reader" — Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 5, N. Y. Also in the same issue are discussions of **E. J. Braeh & Sons, Midland-Ross, U. S. Tobacco Co., Glidden Co., Oxford Manufacturing Co. of Atlanta, Uris Buildings Corp., and Beaunit Corp.**

Medallion Pictures — Memorandum — Hancock Securities Corp., 79 Pine St., New York 5, N. Y.

Mergenthaler Linotype Co. — Analysis — Gerstley, Sunstein & Co., 211 South Broad St., Philadelphia 7, Pa.

Microwave Electronics Corp. — Analysis — Hill Richards & Co., Inc., 621 South Spring St., Los Angeles 14, Calif.

New York State Electric & Gas—Report—Golkin, Bomback & Co., 67 Broad St., New York 4, N. Y.

Northern Ontario Natural Gas Ltd. — Analysis — G. W. Nicholson & Co., Ltd., Richmond Street, West, Toronto, Ont., Canada.

Pennsalt Chemicals Corporation—Analysis — Courts & Co., 11 Marietta St., N. W., Atlanta 1, Georgia.

Royal Dutch Petroleum Co.—Review—H. Hentz & Co., 72 Wall St., New York 5, N. Y. Also available are reviews of **Amphenol Borg Electronics, Collins Radio, High Voltage Engineering, Texas Instruments, Varian Associates, Mesabi Trust and Premier Corp. of America**.

Scherling A. G. (Germany) — Analysis—International Bond and Share, Inc., International Building, San Francisco 8, Calif.

O. M. Scott & Sons Co.—Analysis — Ohio Co., 51 North High St., Columbus 15, Ohio.

Security Title & Guaranty Co.—Report — Charles A. Taggart & Co., Inc., 1516 Locust St., Philadelphia 2, Pa. Also available is a report on **Tenney Corp.**

Sterling Extruder Corp.—Analysis — Fialkov & Co., Inc., 63 Wall St., New York 5, N. Y.

Von Hamm-Young Co., Inc. — Bulletin—Robert H. Huff & Co., 210 West Seventh St., Los Angeles 14, Calif.

Xerox — Memorandum — McDonnell & Co., Inc., 120 Broadway, New York 5, N. Y.

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Box A2 Commercial & Financial Chronicle,
25 Park Place, New York 7, N. Y.

U.S. Needs a Unified Communications Policy

By Brigadier-General David Sarnoff,* Chairman of the Board,
Radio Corporation of America

Industry leader urges unification of American international communications carriers into a single privately-owned independently operated company, subject to appropriate government regulations. This, General Sarnoff maintains, would importantly cause our services to be more flexible, convenient, and economical for the public at home and abroad. Concludes Nation's interest in Space Age calls for creation by law of a new pattern cut to the public interest and modern science's capabilities.

Recent scientific developments have opened new horizons in world communications — and created new problems. These problems will become more urgent as space communication imposes profound changes upon our present mode of operations. I believe they can be resolved only through the collaboration of the legal and science professions in providing a proper statutory framework for a new national communications policy based on the advent of the Space Age. It is this subject I wish to examine.



David Sarnoff

The Meaning of Space Communications

Last July 10, an event of vast importance in world communications occurred with the successful orbiting of the AT&T's "Telstar" satellite. The first historic exchange of television programs between the United States and Europe has already been achieved through Telstar. As Mr. Kappel, Chairman of AT&T, rightly said — with a pride that can be shared by all Americans — the project provided an outstanding example of cooperation between government and private industry.

Already, the next important step in the development of global space communications is in progress. A second communications satellite — the "Relay" — designed and constructed by RCA for the National Aeronautics and Space Administration, will be launched later this year for further experiments. These will include telephony, telegraphy and other forms of recorded communications as well as intercontinental television. There also will be tests of the effects of radiation on equipment while the satellite is in orbit.

These satellites are relays which receive, amplify and retransmit radio signals to and from ground stations, thousands of miles apart, in the manner that overland relays at present operate over distances of only a few miles.

Until last month, it was not possible to transmit television over long distances through the air except by the use of numerous microwave towers, and this made television across the oceans impracticable. Now we have the satellite serving as a high tower in space, extending sight and sound not over a few miles but at least six thousand miles — or more than the air distance from San Francisco to Paris.

The Coming Decade

Communication satellites are forerunners of a system that within the coming decade will provide virtually instantaneous telegraph, telephone, date television and other forms of communications to practically any point on earth. They open a dramatic vista of unlimited range for linking the world in a common

dialogue, with incalculable effects on the thinking, the understanding, the culture of all mankind.

The advent of the communications satellite could hardly be better timed. By 1965, it is estimated that present international communications facilities will reach saturation in many areas. To handle the increased traffic, on key routes such as the North Atlantic, we would need, within a decade, the equivalent of 50 new cables costing several billion dollars. But a single satellite can equal the carrying capacity of all the telephone circuits presently in operation between the United States and the rest of the world.

In its advanced form, I believe our space communications system will consist of three synchronous satellites, each positioned about 22,300 miles above the equator. Moving at a speed matching that of the earth's rotation, they will in effect hover over a fixed point on its surface. Three such satellites, one each over the Atlantic, Pacific and Indian Oceans, would cover the entire global land area, except the polar regions. One of these satellites above the Atlantic could interconnect with services that presently include over 90% of all the telephones in use in the world. It could also transmit to television stations over an area extending from the eastern half of the United States across Western Europe and including all of Africa and South America.

Tomorrow's Communication World

From these facts we can begin to postulate the communicating world of tomorrow. It will be a world in which an individual, business or government can establish contact with anyone, anywhere, at any time, by voice, sight or document, separately or in combination.

Global conferences, whether of statesmen, businessmen or lawyers, will take place with each participant sitting in his own office or home, in full view and hearing of the others; exchanging thoughts, documents and data through desk instruments and a color TV screen on the wall.

Storage of information, its retrieval and transmission, will be directed from centralized computer facilities and widely distributed memory systems. It is possible to foresee practically instantaneous up-to-the-minute status reports on any major national or international problem — legal, medical, economic, political or other — flashing from continent to continent.

The great libraries of the world, including legal libraries, will be codified for electronic search and retrieval, very probably with simultaneous translation into many languages. With the growth of international commerce, facilitated by satellite communications, the lawyer in New York, San Francisco, or Tokyo, will have instant access to the pertinent laws, regulations and procedures of any country with which he is dealing. You may be roused out of bed at three in the morning for a conference with a wide-awake client half-way around the world. From

long experience I suspect it will work equally the other way.

No man can foresee the precise impact of global television — for entertainment, information and education — upon the peoples of our globe. In time, it is probable that high power satellites will transmit television directly to the home, and it has been suggested that within a lifetime this may lead to a universal language which all educated people will understand.

The ultimate in communications will arrive when an individual, equipped with a vest pocket transmitter-receiver, will connect by radio with a nearby switchboard and be able to see and speak with any similarly equipped individual anywhere in the world. In the ultra-high and microwave frequencies of the radio spectrum, and controlled light beams, the channels available for such personal communications run into the billions. The individual will thus have his assigned private frequency for communications as he today has his private telephone number.

The Lack of a Unified Communications Policy

Whether we scale these summits of promise is more than a matter for science alone. The manner in which we organize and administer the far-flung communications services will shape their future as surely as the instruments we loft into space. Failure to harmonize principles and procedures of government and law with the realities of a revolutionary era in communications could delay and even frustrate our national purposes. The paramount question of our survival as free men, which is at the heart of the Cold War struggle between East and West, could well hinge on the effective employment of our communications life lines.

Our communications policies, as they now stand, offer striking examples of the difficulties in designing the future based on blueprints of the past.

These random policies governing today's operations have evolved principally from the separate historic development of the land-line telegraph, ocean cables, wireless telegraphy, the radio telephone and national and international broadcasting. Some of these policies began in the middle of the last century. All of them are regulated by laws based more on tradition than on the needs of an

expanding society in a changing world of science and technology.

Thus monopoly was made lawful in some areas of communications and unlawful in others. International communications were held distinct from domestic. In the international field, monopoly and competition were created side-by-side. Meanwhile, the march of science has erased the line that separated telephony from telegraphy, has created new forms of record communications, such as teletypewriter, and facsimile — and also has made world-wide communications possible from inland as well as from seaboard cities.

The recently proposed Communications Satellite Corp. establishes a form of legal monopoly, but the communications companies authorized to participate in its ownership — most of them at least — will still be in competition with each other, and perhaps in competition as well with the satellite corporation of which they are part.

The public telephone service within the United States is a monopoly sanctioned by law. So is the public telegraph service. When telephony extends overseas, it is also a monopoly; but not so with international telegraphy. Here, 10 American companies, operating in the international telegraph field, must compete for traffic which at the foreign end is usually handled through government monopoly. Rates and services are subject, in each case, to mutual agreements which must be negotiated by American private competitors with the foreign government monopolies. These organizations can — and some on occasion do — play one company against the other with resultant disadvantage to American companies and the American public.

Today, technical developments in communications have completely blurred the earlier distinctions between voice and record messages. Both can now be sent and received over the same circuit. And the circuits can connect directly any points in our country with any other part of the world. The individual or organization wishing to talk, transmit and record information at the same time, is no longer satisfied with partial service or the inconvenience of separate services. Yet, where an American international telegraph company is able and willing to provide a full public service, it cannot utilize the existing international voice circuits for such a

purpose, nor can it interconnect with the established telephone service in our country.

The proposed new Communications Satellite Corp. presumably will be able to grant authorized communications companies the right to transmit both voice and record messages through the satellite. But the satellite is only one link in a communications chain between the sender and the receiver. If an American carrier of international traffic has the right to send both voice and record over the satellite but is not allowed to interconnect freely with the corresponding domestic services, its effective use of the satellite is denied. And, even if it can interconnect with domestic facilities via the satellite, but is forbidden to do so over its standard cable or radio services which will continue to be used, it will still suffer an unwarranted handicap.

These are not details of parochial concern to one industry. Nor are they meaningful solely to a discourse on equity under the law. Communication is the main artery of modern civilization, linking every function of the nation and the community of nations. The speed and completeness with which government, business or the individual can receive and transmit information determine the effectiveness with which that government, business or individual can function.

It is a matter of prime national concern that in this country, which has pioneered in communications and through our private enterprise system has produced the best telephone, telegraph and broadcasting services in the world, present legal limitations prevent the fullest development of a truly universal service — a service that could give the American public all the benefits offered by modern science.

The substance of the matter is this:

Will the application of the present laws, as they relate to communications, assure for this country the full benefits of science and technology, or will progress delayed result in progress denied?

The Need for a Unified Communications Policy

Clearing away the obstacles and inconsistencies I have described is only one of the challenges posed by the onrush of communications progress. Very

Continued on page 47

This advertisement is not an offering. No offering is made except by a Prospectus filed with the Department of Law of the State of New York. Such filing does not constitute approval of the issue or the sale thereof by the Department of Law or the Attorney General of the State of New York.

NEW ISSUE

August 15, 1962

1,000,000 Shares of Beneficial Interest

(\$1.00 Par Value)

FIRST GENERAL REAL ESTATE TRUST

Price \$10 per Share

This offering is made only by the Prospectus which describes these Shares and the Trust's business. Copies of the Prospectus may be obtained from the undersigned in States where the undersigned may lawfully offer the Shares.

KING MERRITT & Co., Inc.

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Connecticut Brevities

Sikorsky. The free world's largest helicopter, the turbine-powered Sikorsky S-64 Skycrane, developed by Sikorsky Aircraft, Stratford, made its first public flight recently before representatives of the U. S. military services, aviation press and industrial and commercial activities. The S-64 was developed by the Sikorsky division of United Aircraft Corporation for a wide variety of military and commercial applications. The Skycrane is described as a prime mover able to haul an almost endless variety of cargoes and conveyances. The helicopter has no cargo or passenger cabin but carries its load externally, making weight not size or bulk the only limitation on its load-carrying ability. The new design reduces the time required for cargo loading and unloading. Pods can be made available for special purposes, such as, carrying people, minesweeping equipment, field hospitals and a wide variety of construction equipment.

Gray Research and Development Co., Inc., the broadcast and high-fidelity division of Gray Manufacturing Co., Hartford, has been sold to a group of former employees and other Hartford businessmen. The sale permits Gray Manufacturing to concentrate its production and marketing efforts on the company's principal lines, which include dictation equipment, sound-on-slide projectors and precision electronics equipment used by government and industry.

The York Research Corp. has opened a new plant in Putnam on an 18-acre redevelopment site. The one-story 33,000 square-foot structure will house the Hindle Industries, Inc., the New England Testing Co., and Electro Mite, all subsidiaries or divisions of York. Total initial employment in the new facility is approximately 100. The new plant, the first to be erected in Putnam since the disastrous flood of 1955, is one of several to be built by York in the eastern Connecticut community. Plans call for construction of a second plant in the near future on the redevelopment tract. York has also purchased 37 acres from the Putnam Industrial Foundation for the construction of a research laboratory. A factor in the York decision to locate in Putnam is the new Connecticut Turnpike connection now under construction. Company officials also cite the possibility of further development of Putnam as a research center.

General Electric. Construction of a large, new laboratory for the Wire and Cable department of the General Electric Co. will be started in Bridgeport early in September. The building will contain more than 22,000 square feet of space for offices and equipment. Special roof space will be available for atmospheric and environmental testing.

Company officials pointed out that the laboratory could have been constructed at other com-

pany locations and that the selection of Bridgeport has long-range significance both for the company and the community. The company predicts that the new facility will speed the development of new products, resulting in increased factory production. A company spokesman said Bridgeport could become a center for wire and cable research and that G. E. plans to bring customers from all over the United States to visit the new laboratory.

Air-Conditioning recently became the newest utility service when W. T. Jebb, President of the Hartford Gas Co., officially turned on the world's first plant to sell cool-

ing and heating to a large section of a city through a network of underground pipes. The \$4.5 million plant is already scheduled to supply chilled water for cooling and steam for heating to nine major buildings in downtown Hartford.

The Whitlock Manufacturing Co., West Hartford manufacturer of heat transfer equipment, has established a department for specialized heavy metal fabrication. The new department will specialize in flame cutting, welding, tape controlled drilling, tube bending, roll shaping, heat treating, and testing and will serve the nuclear, aerospace and heavy construction industries. The plant is located along the main line of the New Haven Railroad and has approximately 100,000 square feet of space.

Better Investment Climate Needed in Latin America

Chase Manhattan Bank report decried lack of recognition of, and efforts to make clear, the need for private investments in Latin America. Held responsible are many governments themselves who do nothing to improve the investment climate and yet bewail the lack of progress made in their economies.

U. S. government and business should do more to persuade Latin Americans to improve the investment climate in their countries, said the Chase Manhattan Bank in its quarterly report, *Latin American Business Highlights*, issued recently.

"The U. S. government has taken a number of steps to help encourage the flow of U. S. private investments," the report said. "But important as these moves are, they do not strike at the heart of the problem, which is to improve the investment climate in Latin America for private investments, both foreign and domestic."

"This is not an easy thing to do. It may even be impossible."

"What is certain is that we—the U. S. government and the U. S. business community—have not done all we can to persuade the people and governments of Latin America of either the importance or the requirements for such an investment climate. This is an area urgently requiring study," said Chase Manhattan.

The most needed reforms in many Latin American countries are those that will make their economies freer and more stable, the survey said.

Real Means to Growth

"In many Latin American countries, due to a web of government controls, unpredictable shifts in government policies, inflation and low standards of civic responsibility, incentives exist only in distorted form."

"Thus, so-called free economies are very often far from free. The reforms that are needed are those that make them freer and more stable."

In assessing the performance of the Alliance for Progress, the

bank said the problem of the Alliance is not that it seeks too much. "The problem, rather, concerns the means for achieving the goals that are either spelled out or implied in the Alliance program—tax and land reforms, better housing, education, health programs."

"These are partly means to economic growth," the report said. "The real means—and the overriding means in Latin America—is an increased flow of capital from foreign and domestic sources, and improvement in the efficiency with which all resources are used."

To develop these means does involve large expenditures on social projects which generally require the direct attention of government, the bank said.

"But the services of such projects cannot be fully productive unless there is a friendly attitude on the part of the government and the public toward private business," the report said.

Forms Hartsfield Co.

LUBBOCK, Texas—Ira W. Hartsfield is now doing business under the firm name of Hartsfield & Company from offices at 2350 34th Street.

With Stern Brothers

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Earnie K. Bredren, Jr., Joseph M. Rapp, Edmund Steinauer, Jr., Bernard T. Tierney, and James P. Vogt have become associated with Stern Brothers & Co., American National Bank Building. All were formerly with Peters, Writer & Christensen.

Earl Conway Opens

LIVINGSTON, Mont.—Earl E. Conway is engaging in a securities business from offices at Riverside Cabins, Hoffman Route, Park Road, under the firm name of Earl Conway Securities.

Form First Realty Secs.

BOSTON, Mass.—First Realty Securities Co. of Boston Inc. is engaging in a securities business from offices at 7 Pemberton Square. Officers are Max R. Kargman, President and Treasurer; Stephen J. Casey, clerk; and Kenneth A. Korb, Assistant Treasurer.

Investing Policy Today

By Roger W. Babson

Mr. Babson maintains forecasting difficulties call for investor's broadest possible diversification among classes of securities, industries, and issues within an industry. Urges avoidance of new issues, particularly in the electronics area. Avers investor's primary objective should be the rendering of social and economic "service"; otherwise he is a gambler.

While on a recent vacation I have been relaxed and able to think at length about certain fundamentals of investing for safety and profits.

After years of intensive study and the spending of millions of dollars in statistical research, I have learned certain things: (1) It is impossible for any man or group of men to accurately forecast business conditions so as to justify the investing of all of one's money in any one way, or in any one class of security, or in any one company or industry; (2) investors who decide to buy even depressed issues should always distribute their funds over several securities and be ready to undergo disappointment if some of them do not do well. Yes, many stocks at times are classified as "depressed," but eventually turn out to be valuable.

Emphasis should also be placed on the importance of the well-known axiom, "He profits most who serves best." It is possible to make large profits in connection with investments; but to be in a position to keep these profits without undue risk, the investor should have for his primary objective the rendering of service. This especially applies to the buying of "depressed" stocks even when few have the courage to do so. When money or effort is directed properly so that society and economic law will unite to reward the investor, he is on safe ground. When a man attempts to profit in any business without a desire to render commensurate service, he is a foolish gambler. In fact, this question of service forms the line of demarcation between investing and gambling.

Times are Rapidly Changing

My mind is now filled with several other thoughts. We are living in a new world. Authority and responsibility have been focused at Washington, while the whole world lives in the fear of a new, totally destructive war. Since 1931 all has been in the melting pot: currencies, credits, debts, exchanges, tariffs, taxes, banks, corporations, laws, liens, and licenses. Much of the world is ruled ruthlessly by self-appointed Communist party leaders. Familiar landmarks are gone. New Administrations can only moderate or speed up the journey ahead. Whether these paths will lead to glory or to grief, no man now can say. There is but one certainty. The old ways have temporarily, at least, been laid upon the shelf.

The President can provide new heads but not new hearts. Furthermore, Newton's Law of Action and Reaction, the Theory of Relativity, and the Law of Diversification will continue to influence economic phenomena. There cannot long be human dictatorship over fundamentals. Therefore, in the midst of radical ideas and reactions to them, hold fast to the old ideals—the ideals of service and reward, of patient probing for facts, of constant flexibility to changing conditions, of timely caution and courage.

Use Your Own Brains

Administrations can be changed, new legislation can be enacted; the Constitution can be amended; the map of the world can be altered; but the basic laws of economics will continue to rule. Now, investment opportunities may lie in some of the "depressed" securities. Having already declined

from relatively high price levels, they should be less vulnerable to further marked declines, and I believe they offer the best opportunity to invest for safety, for profit, and perhaps for income.

But avoid new companies, especially if in the electronics field. Insist that a company have at least five years of earnings to compare. And—most important of all—use your own brains. Do not depend upon rumors or tips.

Businessman's BOOKSHELF

Certificates of Deposit—A special report dealing primarily with negotiable time-certificates—Richard Fieldhouse—Bankers Publishing Company, 89 Beach Street, Boston 11, Mass. (paper), \$8.

Energy—Today and Tomorrow—Public Information Bureau, American Gas Association, 420 Lexington Avenue, New York 17, N. Y. (paper).

Full Employment, Inflation, and Common Stock—Melvin E. Greenhut—Public Affairs Press, 419 New Jersey Avenue, S. E., Washington 3, D. C.

Government Development Bank for Puerto Rico—Annual Report—Government Development Bank, San Juan, Puerto Rico.

Green Giant Company—Policy Book—Green Giant Company, Le Sueur, Minn. (paper).

Interim Electric Power Survey—Edison Electric Institute, 750 Third Avenue, New York 17, N. Y.

Keeping Your Money Healthy—A Primer About the Federal Reserve System—Federal Reserve Bank of New York, 33 Liberty Street, New York 45, N. Y. (paper).

Labor Market and Social Security—The Proceedings of the Fourth Annual Social Security Conference—The W. E. Upjohn Institute for Employment Research, 709 South Westnedge Avenue, Kalamazoo, Mich. (paper).

Let's Take Off Some of the Saddles—A Statement by the President of Southern Railway System—Southern Railway System, Washington, D. C. (paper).

Money & Economic Balance—Federal Reserve Bank of New York, 33 Liberty Street, New York 45, N. Y. (paper), on request.

National Association of Small Business Investment Companies—Complete Proceedings of 1962 Mid Year Meeting in Ft. Worth, Texas—National Association of Small Business Investment Companies, 537 Washington Building, Washington 5, D. C., \$15.

Ponce—A Special Report—Government Development Bank for Puerto Rico, San Juan, Puerto Rico (paper).

Portrait in Oil—How the Ohio Oil Company grew to become Marathon—Hartzell Spence—McGraw-Hill Book Company, Inc., 330 West 42nd Street, New York 36, N. Y. (cloth), \$5.95.

Transportation at the Crossroads—The President Points the Way—Association of American Railroads, Washington, D. C. (paper).

CHAS. W. SCRANTON & Co.

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NEWS ABOUT BANKS AND BANKERS

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

The First National City Bank, New York, opened a branch in Armonk, N. Y., Aug. 9, its second in Westchester County and 94th in the metropolitan area.

The branch is located at Whip-poorwill Road and Main Street, and is headed by Charles J. Tischer, Manager. George W. Phelan will assist in the management of the branch, with Joseph A. Mosca heading the Personal Finance Department.

George L. Farnsworth, Executive Vice-President, has been appointed to head **Chemical Bank New York Trust Company's** International Division, it was announced Aug. 13 by Chairman Harold H. Helm. Mr. Farnsworth succeeds Executive Vice-President Clinton C. Johnson who will continue to be identified with the Division until Dec. 31, when he will retire under the bank's mandatory retirement plan at age 65.

Mr. Farnsworth joined **Chemical New York** Oct. 29, 1934, where he became Assistant Secretary in 1943, Assistant Vice-President in 1947, Vice-President in 1950 and Executive Vice-President in 1960. He was designated head of the bank's National Division in that year and continued to supervise its activities until Sept. 6, 1961, when he transferred to the International Division.

Sumner A. Williams has been named Regional Vice-President of **Chemical Bank New York Trust Company, New York**, it was announced Aug. 15 by Chairman Harold H. Helm.

Mr. Williams, who has been a Vice-President in charge of the bank's office at 300 Park Avenue, will now head eight offices in the Lower Midtown Area of Manhattan. Mr. Jantzen recently resigned to become President of the **Sterling National Bank & Trust Company, New York**.

Mr. Williams began his career in 1928 with **United States Mortgage & Trust Company, New York**, which was merged with Chemical Bank in 1929. He has since been assigned to various midtown offices of the bank, rising to Assistant Vice-President in 1950 and Vice-President in 1957.

The election of John B. Dunning as a Vice-President of **The Bank of New York** was announced Aug. 14. Mr. Dunning served previously as Trust Officer in Personal Trust Administration.

James L. Neff, of the Bank's Personal Trust Administration, was appointed an Assistant Trust Officer.

Mr. Dunning joined the bank in 1942.

The Citizens Bank of Perry, N. Y., Perry, N. Y., received approval from the State of New York Bank Department on Aug. 3 to change the name of the corporation from **The Citizens Bank of Perry, N. Y.** to **The Bank of Perry**, and to change the number and par value of previously authorized shares, and to increase the capital stock from \$150,000, consisting of 6,000 shares of the par value of \$25 per share to \$330,000 consisting of 16,500 shares of the par value of \$20 per share.

The National Bank of Westchester, White Plains, N. Y., Aug. 9 announced that:

Douglas M. Jefferson, Trust Officer, has been appointed Vice-President and Senior Trust Officer in charge of the Trust Department. At the same time, Stephen A. Matuszak, Investment Analyst, has been appointed a Trust Officer.

Douglas M. Jefferson joined NBW early this year as a Trust Officer. He was formerly with the **First National City Bank in New York** and previously had been associated with **Lincoln Rochester Trust Company, Rochester, N. Y.**

The consolidation of the **National Bank and Trust Company of Norwich, Norwich, N. Y.**, and the **First National Bank of Afton, Afton, N. Y.**, was approved Aug. 6 by James J. Saxon, Comptroller of the Currency. The consolidation is effective on or after Aug. 10, and the surviving institution will be the **National Bank and Trust Company of Norwich**.

The First New Haven National Bank, New Haven, Conn., will open a new office at 215 Church Street about Sept. 4. The bank's Temple Street operations will be transferred to the new Church Street location.

Albert M. Gesler, Vice-President

dent in charge of branch operations, will have overall responsibility for the management of this new office. Eugene F. Lawlor, Assistant Cashier, who has been Manager of the First New Haven's branch at Temple Street, will be the Manager.

James J. Saxon, Comptroller of the Currency Aug. 6 announced the approval of the merger of **The Perth Amboy National Bank, Perth Amboy, N. J.** with the **First National Bank in Carteret, Carteret, N. Y.**, under the charter and title of the Perth Amboy National Bank. The merger is effective on or after Aug. 10.

Comptroller of the Currency James J. Saxon announced Aug. 6 that he has approved the application of the **Gallatin National Bank, Uniontown, Pa.**, to purchase the assets and assume the liabilities of the **Second National Bank of Meyersdale, Meyersdale, Pa.**, effective on or after Aug. 10.

The Comptroller of the Currency James J. Saxon, Aug. 8, approved the merger of the **First National Bank at Conneaut Lake, Conneaut Lake, Pa.**, into the **Merchants National Bank and Trust Company of Meadville, Meadville, Pa.**, effective on or after Aug. 14. The merger will increase the total assets of **Merchants National** to \$22,700,000 from \$19,500,000.

Maryland National Bank, Baltimore, Md., elected Luther C. Dilatash, Senior Vice-President, administration and supervision of the trust department.

Miles W. Sobolik has been elected Controller of **Central National Bank, Cleveland, Ohio**.

The acquisition of **The Farmers and Merchants Bank Company, Warsaw, Ohio**, by the **Coshocton National Bank, Coshocton, Ohio**, was approved Aug. 8 by Comptroller of the Currency James J. Saxon. The purchase, which becomes effective on or after Aug. 14, increases the total assets of

Coshocton National Bank to \$21,400,000 from \$19,200,000.

Five new officers were elected Aug. 10 by **Continental Bank International, N. Y.**—based subsidiary of **Continental Illinois National Bank and Trust Company, Chicago, Ill.**

The five are Jacques R. Stunzi, Executive Vice-President; Harvey Fleetwood and Joseph W. Welsh, Assistant Vice-Presidents; and James J. Vavruska and Robert LeClerc, Assistant Treasurers. Mr. Stunzi also was elected a Vice President of **Continental Illinois Bank**.

State Bank & Trust Co., Evanston, Ill., elected Robert Humphrey, Executive Vice-President. He formerly was Vice-President and Secretary of the **Commercial National Bank, Peoria, Ill.**

J. T. Stewart, III Senior Vice-President and Director of the **First National Bank of Omaha, Neb.**, died on Aug. 4.

Comptroller of the Currency James J. Saxon announced Aug. 7 that

he has approved an application to convert **The First State Bank of Louisville, Louisville, Colo.**, into a national banking association under the title of "**First National Bank of Louisville**."

An application to convert **The Bank of Lafayette, Lafayette, Colo.**, into a national banking association under the title "**First National Bank of Lafayette**" was approved Aug. 7 by Comptroller of the Currency James J. Saxon.

Bank of America NT & SA, San Francisco, Calif., made Ernest J. Young, Vice-President, at the head office in San Francisco. Reginald C. Spratt was appointed Vice-President of the London branch.

The Bank of Nova Scotia, Toronto, Ont., has moved its Tokyo office into permanent quarters at the Chiyoda Denden Building, 6-1 chome Otemachi, Chiyoda-ku.

George J. Korenaga, Far East Representative of the Bank, is in charge of the Tokyo office.

DIVIDEND NOTICES



15 TH Consecutive
Monthly
Distribution

THE FIRST REPUBLIC CORPORATION OF AMERICA

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

The Board of Directors has declared a regular cash distribution of **nine cents (9¢)** per share on the Class A Stock to Shareholders of Record at the close of business, August 31, 1962, payable on September 20, 1962.

Ira Sands
Chairman of the Board

DIVIDEND NOTICES

FEDERATION BANK AND TRUST COMPANY

110 COLUMBUS CIRCLE

NOTICE OF DIVIDEND

Directors of the Federation Bank and Trust Company have declared the regular quarterly dividend of 37 1/2 cents a share on the bank's outstanding capital stock payable on October 2, 1962, to stockholders of record on September 17, 1962. This marks the 77th consecutive quarterly dividend paid by the Federation Bank and Trust Company.

ROBERT E. ROSENBERG
Executive Vice President and Secretary
August 15, 1962.

DIVIDEND NOTICE



FLORIDA... AMERICA'S VACATIONLAND EVERY MONTH OF THE YEAR

DIVIDEND NOTICE

FLORIDA POWER & LIGHT COMPANY

P. O. BOX 3100 • MIAMI 1, FLA.

A quarterly dividend of 30c per share has been declared on the Common Stock of the Company, payable September 18th, 1962 to stockholders of record at the close of business, August 24th, 1962.

ROBERT H. FITE
President



FLORIDA... SPACE AGE FUTURE FOR BUSINESS AND INDUSTRY

XEROX CORPORATION

ROCHESTER, NEW YORK

DIVIDEND NOTICE

The Directors of Xerox Corporation at a meeting held on August 9, 1962, declared a quarterly dividend of \$0.25 per share on the common stock payable October 1, 1962, to stockholders of record at the close of business on September 7, 1962.

E. K. DAMON
Treasurer

DIVIDEND NOTICE



THE DAYTON POWER AND LIGHT COMPANY

DAYTON, OHIO

160th Common Dividend

The Board of Directors has declared a regular quarterly dividend of 25c per share on the Common Stock of the Company, payable on September 1, 1962, to stockholders of record at the close of business on August 13, 1962.

GEORGE SELLERS, Secretary
August 3, 1962.

P. Lorillard Company

AMERICA'S FIRST TOBACCO MERCHANTS

Established 1760



DIVIDEND NOTICE

Regular quarterly dividend of \$1.75 per share on the Preferred Stock and regular quarterly dividend of \$.60 per share on the outstanding Common Stock of P. Lorillard Company have been declared payable October 1, 1962, to stockholders of record at the close of business September 10, 1962. Checks will be mailed.

G. Q. DAVIES,
Vice President
New York, August 15, 1962.

First With The Finest—Through Lorillard Research

Cigarettes

- KENT**
Regular
King Size
Crush-Proof Box
OLD GOLD STRAIGHTS
Regular
King Size
YORK
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SPRING
King Size
OLD GOLD SPIN FILTERS
King Size
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Smoking Tobaccos

- BRIGGS**
UNION LEADER
FRIENDS
INDIA HOUSE

Little Cigars

- BETWEEN THE ACTS**
MADISON

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- BEECH-NUT**
BAGPIPE
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HELMAR

President's Views on the Business Trend and Tax Cuts

President Kennedy reports an economic upturn, pointing to indicators showing substantial gains in Gross National Product, industrial production, employment, disposable personal income and business investing — with substantiation by latest month of July figures. Asserts today's stock market "rests on a sounder basis between the price of stocks and their earning potential than it did at the end of last year." While declaring the right kind of tax cut, namely rate reduction coupled with long-needed reform and abolition of loopholes, is the most helpful government step, the President maintains an immediate tax cut could not be justified or enacted.

In a heralded "State of the Nation" address over TV and radio at 7 p.m. Monday evening, Aug. 13, President Kennedy rejected immediate tax reduction as unnecessary, undesirable, and unenactable and proposals for which would undermine confidence both at home and abroad. Instead, barring a change in economic portents later this year, he revealed postponement of tax legislation proposals until next year to include basic reforms and "top-to-bottom" cuts for corporations and individuals.



Pres. J. F. Kennedy

Text of the President's address was as follows:

Good evening, my fellow citizens.

The Constitution of the United States states that on occasions the President shall report to the Congress on the state of the nation.

I think it's also important that the President of the United States report to the American people because he is, with the Vice-President, the only American official elected by all of the people in all of the fifty states.

Tonight I'm going to talk to you about the American economy. I know that many of you have your eyes fixed in space and are interested and concerned about the extraordinary accomplishment of the Soviet Union in that area.

I have said from the beginning that this country started late in the Nineteen Fifties. We are behind and will be behind for a period in the future. But we are making a major effort now, and this country will be heard from, in space as well as in other areas, in the coming months and years.

But tonight I want to talk about our economy. I know that statistics and details of the economy may sometimes seem dry, but the economy and economic statistics are really a story of all of us, as a country. And these statistics tell whether we're going forward or standing still or backwards; they tell whether an unemployed man can get a job, or whether a man who has a job can get an increase in salary or own a home, or whether he can retire in security or send his children to college.

These are the people and the things behind the statistics.

I have been in office now for a year and a half—81 weeks. When I came into office in January, 1961, this country was in a recession. We have made a recovery from that recession. What we are concerned about now is where we've been, where we are now, and what we must do in the future.

First—where we've been. Tonight, looking back over the last year and a half, we can take some heart from these statistics, and these gains which have been made.

GNP UP \$50 Billion

The gross national product which is the story of all the things that we produce. That has gone

up 10%—over \$50,000,000,000 in additional goods and services.

The second chart—industrial production, which is the output of our factories—has gone up 16% in that period of time.

The unemployment rate—and the unemployment rate is still too high—has gone down 23% in the last year and a half; and about a million people who were unemployed now have jobs.

The disposable personal income, which is the amount of income we have after taxes, has gone up \$30,000,000,000—8%.

Wages and salaries have gone up 10%—\$27,000,000—and corporate profit after taxes since January, 1961, have gone up 26% or a total of \$10,000,000,000.

So this the story of our economic recovery.

The pace thus far this summer, while not as good as all of us would have liked, has brought still further gains.

The economic indicators which have been reported to me for July which is just coming in now do not warrant the conclusion that we are entering a new recession.

Pessimistic predictions to the contrary, the actual facts for the month of July, far from justifying a crisis atmosphere, show another new record high in industrial production, a new reduction in unemployment and a significant rebound in department store, automobile and other retail sales.

Employment and income have also continued to rise.

Looking ahead, moreover, there is every reason for confidence by the American people in the American system. American families are still spending a steadily increasing share of their personal income, which is steadily rising, to buy new cars and new homes and to enjoy a higher standard of living, while continuing to put money in the bank.

Our business men are investing more than they did last year, though not as much as we would like.

Stock Market on "Sounder Basis"

While the sharp decline in the inflated stock market prices touched many homes directly and adversely, I think the stock market today rests on a sounder basis between the price of stocks and their earning potential than it did at the end of last year.

Our research laboratories are turning out new techniques and leading to new industries.

And soon that crop of war babies—boys and girls who were born at the—during the war, the second war, and at the end of the war—will be going to schools and colleges, founding their own homes, and buying their own cars, and helping build our own prosperity.

Inflation, which is the arch enemy of consumers and housewives, has not wiped out these gains. We have had, in the last 18 months, the best record on price stability that we have had since the end of World War II.

And the additional \$30,000,000,000 which we have here in this country in the last 18 months has not been robbed in any sense by an increase in the cost of living.

Inflation, therefore, remains no longer a serious threat.

I think we can be proud also of balancing our international payments, at least the progress we've made, but we still have some distance to go. This is the amount of dollars in gold that we lose which affects our ability to maintain our security commitments and our troops overseas.

\$12 Billion Gold Loss

You will see that in the last three years of 1958, '59 and 1960, the United States lost in dollars in gold nearly \$12,000,000,000. In 1961 that figure was cut sharply; in the first half of 1962 we have cut it still further, and we hope by the end of 1963 to bring our balance of payments into balance.

Confidence in the dollar will be restored when we do this, and I think it will be obvious in the next 12 to 18 months, as I believe it is today, that the dollar is as good as gold.

All these things, of course, have been done by you, and the support has been given by the American Government. But the major effort, of course, has been made in the local communities and in the states across the country.

We have attempted to assist that recovery through new tax depreciation schedules, so that business will invest more, which will make more jobs and maintain industrial peace and collective bargaining, and we've had overall an extraordinary record of labor peace in the last 18 months, and to encourage the increased participation in urban renewal and all the rest of the programs which bring prosperity to our country.

Finally, I think that you and I may have confidence in the long-run strength of our economy because it is solidly built on the largest output, on the highest wages and profits and the most bountiful standard of living that any people have ever known.

Recalls Roosevelt Regime

Since the dark days when Franklin Roosevelt entered his office, we have constructed strong safeguards against depressions, against bank failures, against substandard wages, in watered stock, in widespread farm foreclosures.

We know now much more than we did in the past about relieving the hardships of unemployment and about cushioning our economy against the business cycle.

Every consumer and business man in America listening to me tonight knows he can safely spend and invest tomorrow with real confidence in the long-range future of the United States of America. Nevertheless, of course, we cannot be complacent. I'm satisfied with a good deal of the progress that's been made but I don't think it's sufficient, and I'm sure you don't either.

I think we must strive to expand our economic expansion.

For the fact of the matter was that the economy in January of last year was sick and it was sick not only because of the 1960-61 recession but also because of the recession of 1958.

The fact of the matter is that there's been a slowdown in our growth, and therefore in our employment, and therefore in our use of our present facilities—really since the beginning of 1957.

We have had a five-year period where we've been more or less standing still economically, at least in comparison to the countries of western Europe and Japan. We have, therefore, been obliged to recover not only from the recession of 1960-61 but also from the recession of 1958, and now we must be concerned with the forward movement of our economy.

The level of our economy, as I pointed out today, is high, but, considering all the resources which this country has, it should be higher—it should be at least \$30,000,000,000 a year higher—if we did not have unemployment and if we were using all the produc-

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For a New World Union!

By Former President Herbert Hoover*

Former President declares some new Organized Council of Free Nations, in addition to and not in replacement of the UN, is the remaining hope for peace in the world. Maintains the Soviet's exploitation of the Veto power in the UN has destroyed the usefulness of that Organization to preserve peace and implements the Communists' unswerving devotion to the provocation of conflict, hostility, and hate—"they daily threaten free nations with war and destruction."

When the members of the Congress created these Presidential Libraries they did a great public service. They made available for research the records of vital periods in American history—and they planted these records in the countryside instead of allowing their concentration on the seaboard.

Already the three libraries of President Roosevelt, President Truman, and President Eisenhower, by their unique documentation, serve this purpose, and today we dedicate a fourth—my own.

Within them are thrilling records of supreme action by the American people, their devotion and sacrifice to their ideals.

Santayana rightly said: "Those who do not remember the past are condemned to relive it." These institutions are the repositories of such experience—hot off the griddle.

In these records there are, no doubt, unfavorable remarks made by our political opponents, as well as expressions of appreciation and affection by our friends.

We may hope that future students will rely upon our friends. In any event, when they become sleepy they may be awakened by the lightning flashes of American political humor.

A Proposal for Greater Safety For America

It is exactly 88 years since I first came to Iowa. Since that visit, I have seen much of peoples, of governments, of their institutions, and of human woes. I can count 50 nations with which I had something to do. I was not a tourist; I worked with their people. In my professional years I brought to them American technology with its train of greater productivity and better living. In two wars I served amidst famine. And in the war-shattered aftermath, I directed reconstruction in many nations. I have worked with great spiritual leaders and with great statesmen. I have lived under governments of free men, of kings and dictators, and under Fascism and Communism.

Uppermost in the minds and prayers of the plain people everywhere was that war should cease and that peace would come to the world. They treasured a confidence that America would maintain freedom and that we would cooperate to bring peace to all mankind.

During my long years, I have participated in many world negotiations, which we hoped would promote peace. Today we have no peace.

From all this experience and now as the shadows gather around me, I may be permitted to make an observation and to offer a course of action.

Leaders of mankind have for centuries sought some form of organization which would assure lasting peace. The last of many efforts is the United Nations.

The time has come in our national life when we must make a new appraisal of this organization.

But first, let me say that I have, in all my official life believed in a world organization for peace. I supported the League of Nations when it was unpopular. I went down to defeat when, as President, I urged the Senate to join the World Court. I urged the ratification of the United Nations Charter by the Senate. But I stated at that time, "The American people should be under no illusions that the Charter assures lasting peace."

But now we must realize that the United Nations has failed to give us even a remote hope of lasting peace. Instead, it adds to the dangers of wars which now surround us.

The disintegrating forces in the United Nations are the Communist nations in its membership.

The Communist leaders, for 40 years, have repeatedly asserted that no peace can come to the world until they have overcome the free nations. One of their fundamental methods of expanding Communism over the earth is to provoke conflict, hostility and hate among other nations. One of the proofs that they have never departed from these ideas is that they have, about 100 times, vetoed proposals in the Security Council which would have lessened international conflict. They daily threaten free nations with war and destruction.

In sum, they have destroyed the usefulness of the United Nations to preserve peace.

When Woodrow Wilson launched the League of Nations, he said:

"A steadfast concert for peace can never be maintained except by a partnership of democratic nations. No autocratic government could be trusted to keep faith within it or observe its covenants."

More unity among free nations has been urged by President Truman, President Eisenhower, and President Kennedy. In cooperation with far-seeing statesmen in other free nations, five regional treaties or pacts have been set up for mutual defense. And there are bilateral agreements among other free nations to give military support to each other in case of attack. Within these agreements are more than 40 free nations who have pledged themselves to fight against aggression.

Today, the menace of Communism has become world-wide.

The time is here when, if the free nations, are to survive, they must have a new and stronger world-wide organization. For purposes of this discussion I may call it the "Council of Free Nations." It should include only those who are willing to stand up and fight for their freedom.

The foundations for this organization have already been laid by the 40 nations who have taken pledges in the five regional pacts to support each other against aggression. And there are others who should join.

I do not suggest that the Council of Free Nations replace the United Nations. When the United Nations is prevented from taking action, or if it fails to act to preserve peace, then the Council of Free Nations should step in.

Some may inquire where the offices of such an organization should be. Fortunately, there are ample buildings in the world's most accepted neutral nation. Geneva has been the scene of great accomplishments in peace



Herbert Hoover

until poisoned by the Communists and the Fascists.

Although the analogy of the Concert of Europe formed in 1814 is not perfect, yet, with much less unity and authority, it fended off world war for a 100 years.

Some organized Council of Free Nations is the remaining hope for peace in the world.

The Assurance That We are Not In the Decline and Fall of the American Way of Life

Another subject lies heavily on American minds today. Our people are deeply troubled, not only about the turbulent world around us but also with internal problems which haunt our days and nights. There are many despairing voices. There are many undertones of discouragement. The press headlines imply that corruption, crime, divorce, youthful delinquency and Hollywood love trysts are our national occupations.

And amid all these voices there is a cry that the American way of life is on its way to decline and fall.

I do not believe it. Perhaps amid this din of voices and headlines of gloom, I may say something about the inner forces from which come the strengths of America. They assure its future and its continued service to mankind.

The mightiest assurances of our future are the intangible spiritual and intellectual forces in our people, which we express, not by the words *The United States*, but by the word *America*. That word *America* carries meanings which lie deep in the soul of our people. It reaches far beyond the size of cities and factories. It springs from our religious faith, our ideals of individual freedom and equal opportunity, which have come in the centuries since we landed on these shores. It rises from our pride in great accomplishments of our nation and from the sacrifices and devotion of those who have passed on. It lifts us above the ugliness of the day. It has guided us through even greater crises in our past. And from these forces, solutions will come again.

This representative government, with its 186 years of life, has lasted longer than any other republic in history.

If you look about, you will see the steeples of tens of thousands of places of worship. Each week a 100 million people come to reaffirm their faith.

If you will look, you will find that the Bill of Rights is an enforced law of the land; that the dignity of man and equality of opportunity more nearly survive in this land than in any other on earth.

If you look, you will also find that from our educational system there comes every year a host of stimulated minds. They bring new scientific discoveries, new inventions, and new ideas. It is true that they revolutionize our daily lives. But we can readily adjust ourselves and our government to them without the assistance of Karl Marx.

I could go on and on reciting the mighty forces in American life which assure its progress and its durability.

Perhaps on this occasion it would not be immodest or inappropriate for me to cite my own life as proof of what America brings to her children.

As a boy of ten, I was taken from this village to the Far West 78 years ago. My only material assets were two dimes in my pocket, the suit of clothes I wore. I had some extra underpinnings provided by loving aunts.

But I carried from here something more precious.

I had a certificate of the fourth or fifth grade of higher learning.

I had a stern grounding of religious faith.

I carried with me recollections of a joyous childhood, where the winter snows and the growing

crops of Iowa were an especial provision for kids.

And I carried with me the family disciplines of hard work. That included picking potato bugs at 10 cents a 100. Incidentally, that money was used for the serious purpose of buying firecrackers to applaud the Founding Fathers on each Fourth of July.

An in conclusion, may I say to the boys and girls of America that the doors of opportunity are still open to you. Today the durability of freedom is more secure in America than in any place in the world.

May God bring you even more great blessings.

*An address by Mr. Hoover at the Dedication of the Herbert Hoover Presidential Library, West Branch, Iowa, Aug. 10, 1962.

W. E. Hutton Adds

(Special to THE FINANCIAL CHRONICLE)

CINCINNATI, Ohio — Richard A. Ginsburg has been added to the staff of W. E. Hutton & Co., First National Bank Building, members of the New York and Cincinnati Stock Exchanges. He was previously with Bache & Co.

With Merrill Lynch

(Special to THE FINANCIAL CHRONICLE)

OMAHA, Neb.—Richard F. Irwin is now affiliated with Merrill Lynch, Pierce, Fenner & Smith Inc., 305 South Seventeenth St.

J. E. Pitkin Opens

NEEDLES, Calif.—Jay E. Pitkins is engaging in a securities business from offices at 1305 Front St.

Form Kroll-Cowden Assoc. Forms W. C. Moore Assoc.

HURST, Tex.—Kroll-Cowden & Associates has been formed with offices at 300-B Shady Oaks Professional Building, to engage in a securities business. Partners are Arthur H. Kroll and James C. Cowden. Both were formerly partners in Kroll-Gunter & Cowden.

MOSCOW, Idaho—Wm. C. Moore & Associates, Inc. has been formed with offices at 116 East Third to engage in a securities business. Officers are William C. Moore, President; A. R. Moore, Vice-President; and Edgar J. Grieser, Secretary and Treasurer.

Forms Monmouth Inv.

ASBURY PARK, N. J.—James Mancini is conducting a securities business from offices at 104 Grand Avenue, under the firm name of Monmouth Investment Co.

Joins Calif. Inv.

PASADENA, Calif.—Donald B. Parker has joined the staff of California Investors, 690 East Green Street. He was formerly with Raymond Moore & Co.

Joins Harris, Upham

OMAHA, Neb.—Donald J. Wagner, Jr. has joined the staff of Harris, Upham & Co., 1904 Farnam Street.

What the world's best telephone service is built on

The foundation of your telephone service is composed of three integrated Bell System activities.

First, there's **research** at Bell Telephone Laboratories to find new telephone services and new ways to improve present services.

Second, there's **manufacturing** by the Western Electric Company in order to produce top-quality telephone equipment at the lowest possible cost.

Third, there's the **operation** of the Bell System performed by the local Bell Telephone Companies at high standards of economy and efficiency.

The results of this three-stage action are improved local and Long Distance service... ever-better telephone instruments... the invention and use of such modern marvels as the Transistor... fast, dependable communications for defense and for you.



BELL TELEPHONE SYSTEM

Owned by more than two million Americans



How Leading Authorities View Outlook for the Railroad Industry

Continued from page 1

Some of these, however, may require more than a few months to show their full effects. One major development is the report of the Presidential Railroad Commission on work rules and operating practices, released in February. The recommendations, if effected, could result in large savings by railroads in labor costs. However, efforts of the carriers to implement the Board's recommendations have been opposed strongly by the affected unions and may lead to work stoppages and interruptions of service.

Railroads view the President's Message on Transportation as an important step toward securing legislation which would aid them in their competitive struggle with other modes. The Association of American Railroads, in testifying on bills designed to carry out certain of the President's recommendations, recently stated that the proposal to eliminate much of the Commission's minimum-rate power would remove a formidable obstacle faced by railroads in their competition for agricultural and bulk commodities.

The Interstate Commerce Commission has pointed out, however, that elimination of minimum rate controls over exempt bulk and agricultural commodities could lead to rate wars between the regulated modes of transportation, undue rate boosts on high-value traffic and further diversion of such traffic to private carriage. The Commission, however, would favor limitation of the application of the agricultural exemptions to that which would provide direct assistance to farmers and fishermen in transporting their products to local markets. In furtherance of this recommendation, the Commission in recent testimony before Congressional committees proposed that Sec. 203(b) (6) of the Interstate Commerce Act dealing with agricultural exemptions be amended to remove the exemption of motor vehicles or combinations having more than three axles. Repeal of the water carrier bulk commodity exemption has also been proposed to Congress. Both of these proposed changes in existing law could benefit the railroads competitively.

Other developments of actual or potential benefit to the railroad industry include recent repeal of the 10% excise tax on passenger transportation; substantial liberalization of depreciation allowances for income tax purposes; and a trend toward recognition by governments at all levels of greater responsibility for relieving rail carriers of the burden of subsidizing urban and commuter transportation services. Well-conceived rail mergers offer the possibility of economies and an increase in the attractiveness of railroad securities to investors.

Railroad management is taking steps to improve the industry's position. New departments are being established to advise shippers in terms of the total costs of physical distribution instead of merely suggesting means of trimming rail freight charges. A market research approach is being instituted by some roads with the purpose of ascertaining the kind and volume of freight that is moving in a given area, how it is moving, why it is moving by the means employed, and how railroads may be able to attract and hold it.

New techniques and types of equipment are being developed which promise substantial gains in traffic or cost reductions. According to present indications, piggyback and related services may account for 2.5% of rail traffic this year. The expanded availability of refrigerated piggyback, and tests being made to determine the best type of equipment for refrigeration may be expected to continue to push these operations to higher levels and produce vitally-needed economies. The Commission has ordered a general investigation of piggyback service to consider practices and methods looking to the resolution and control of legal and operational problems involved.

In bidding for a larger competitive share of the nation's traffic, the industry will benefit, not only from technological developments, but also from a number of recent developments in the executive, legislative, and administrative areas of government, as well as from its own increased effort.

G. B. AYDELOTT

President, The Denver and Rio Grande Western Railroad Company

Seldom in the past 15 years have we found it more difficult to forecast the outlook for the railroad industry than now. During the past 12 months we have seen new all-time high records registered in the national economy as measured by such indicators as Gross National Product and National Production. Yet traffic and revenues for the railroad industry as a whole continues at a level considerably below that of previous years. This disparity combined with the uncertainty now prevailing as to the direction of the national economy in the immediate future dictates prudence in making prognostications.

Following recommendations of a Presidential Emergency Board, wage increases were granted to all non-operating crafts and historically, such increases have always extended to the operating personnel. It is doubtful that the resulting higher costs can be offset entirely by effecting economies or by general freight rate increases which are prohibited by the highly competitive situation.

It is also questionable that legislation will be enacted



G. B. Aydelott

at the current session of Congress freeing the railroads of stringent regulations which have created inequities in competition. Thus, we can only wait for the unfolding of business conditions following the traditional summer lull to ascertain what the future revenues and net earnings of the railroads may be for the year. It is axiomatic that to raise the industry's net earnings for 1962 beyond the depressed level of 1961, a substantial gain in traffic volume must be registered in the remaining months of 1962.

As for the outlook on the Rio Grande, we are mildly optimistic. Following relatively good first quarter revenues and earnings we have experienced a decline in carload traffic and gross revenues during the past few months principally due to curtailment of operations in the steel and related industries. However, recent indicators, although somewhat nebulous, point to improved production trends in these industries in coming months. Therefore, barring declines of any magnitude in other segments of the economy we hope to forestall any serious infringements on Rio Grande's earnings during the balance of the year.

Thus, we are continuing our original program of improvements to road and equipment. Expenditures for this purpose will be in excess of \$10 million, the highest amount spent for additions and betterments since 1953. Of this amount approximately \$6.7 million will be spent for new Diesel locomotives and freight cars.

Also included in this program is the building of a 35-mile-spur line in Utah to serve a new potash mining and processing complex now under construction by the Texas Gulf Sulphur Company and new trackage in Colorado to service coal mines of the Pittsburg-Midway Coal Mining Company and the Energy Coal Mining Company, both of which will supply coal to electric power generating plants. These industries will provide a substantial amount of new traffic thereby enhancing our revenues in the future.

In summary, the short-term outlook is clouded with uncertainty but for the long-term we believe optimism is justified.

D. W. BROSAN

President, Southern Railway

Railroads should not be regulated more strictly than other common carriers and this fact is gaining widespread public attention and understanding as the desperate plight of the railroad industry resulting from excessive, uneven and unfair regulation becomes fully apparent. Effective remedial legislative action must be taken soon by Congress in the public interest and for the public good.



D. W. Brosnan

There is a growing awareness that monopoly restrictions placed on the railroads, where no monopoly exists, have prevented rail carriers from developing their full capabilities to serve, and to save shippers money. Our country is deprived of benefits to which it is entitled. Benefits it would have with a strong and freely-competing common carrier transportation system.

No one called upon today to predict the future health of the common-carrier railroad industry or, in fact, of any common carriers, is wise to undertake such a task without knowledge of when or whether the Congress of the United States will take this needed action. It must restore freedom of management opportunities to so conduct transportation businesses that they can and will be competitive one with another. Unless competition, subject to control of maximum rates and the usual antitrust limitations, replaces excessive and outmoded regulation there will be no common-carrier future about which to predict.

Southern Railway today is aggressively meeting the challenges of the market place even in the face of excessive and hampering regulation. But its own future is intimately tied to the welfare of the common carriers of all types in this country and to the philosophy of government that is to prevail with respect to them.

One thing we know without question. Southern Railway today could be and would be furnishing its transportation services at much lower cost to the public if the laws of this country would now permit us to do so. In the public interest, and in simple justice, these laws should be realistically modernized to eliminate discrimination, to promote competition and equality of treatment of the various common carriers, and to free all common carriers so they can meet the fast-growing threat of private carriage.

President Kennedy has fairly and forcefully put the major problems affecting our national transportation system before the Congress. Bills have been offered for passage by Congress that will remedy many present weaknesses. They deal fairly and realistically with the needs of the public and the welfare of the common carriers that must serve this public.

No fogs from river interests and no dust clouds from highway carriers should be allowed to obscure the essential truth of what the President proposes. This is that competition results in the maximum benefits for those who must buy products of any industry. Common carriers produce transportation and the public is being compelled today to pay hundreds of millions of dollars annually in unnecessarily high freight charges that are a direct result of overregulation that reduces competition. And, of an ignoring of the basic principle of free

enterprise, that the test of the market place must be controlling.

Only Congress can act to change the present bad situation. It should be strongly encouraged to do so.

W. H. BATEMAN

President, Symington-Wayne Corp.

Our railroad business represents a little over 20% of our total volume, now running at an 80 million dollar level. In the railroad phase of our business, we are more optimistic about the outlook now than we have been at any time so far this year. In this area, too, we have been able to make some realignments in operations in line with both present and anticipated future volume which has had a beneficial effect on our profit picture.

The overall business of Symington-Wayne Corporation has been significantly good this year, and we have operated at the highest level in our history. Our consolidated net profits for the first half of the year were \$3,458,570 (\$1.05 a share), more than double the earnings of \$1,718,909 (\$0.43 a share) for the corresponding period last year. In fact, our earnings for the first half were exactly

equal to the full year 1961. We have two railroad divisions, Symington Division, whose principal products are side frames, bolsters, couplers, yokes and draft sills, and the Waugh Equipment Division, which deals mainly with specially engineered railroad equipment. Waugh is one of the pioneers and principals in the development of cushioning devices to protect railroad cars and lading. In fact, underframe cushion devices, both hydraulic and mechanical, is a major area of operation of this division. It shared in a railroad major accomplishment of transporting new automobiles by engineering and furnishing the buffer equipment for the tri-level and bi-level racks. We expect continued growth and expansion in this general type of equipment based upon the needs and interests of the shipper and the proven maintenance economies already realized.

In recognizing the trends in railroads toward consolidation, toward more efficient use of existing equipment, toward the growing recognition in Government of the railroad problem and toward the use of specialized equipment and services, we have attempted to direct our efforts toward meeting these new conditions.

On the whole, we are optimistic concerning the future of our railroad business. We do not expect the growth and expansion as in other divisions of our company, but the solidification and adjustments taking place now, and in the not too distant future will, we believe, provide a solid base and the opportunity for sound, profitable operation in the railroad equipment field.

EDWARD G. BUDD, JR.

President, The Budd Company

Many of our population centers in the United States today are facing a growing transportation crisis. The mass movement of people under rush-hour conditions is packing transit systems and causing traffic snarls. The nation's commuter and transport systems, in an increasing number of cases, are attempting to cope with these near-emergency situations with obsolete and inefficient equipment.

There are hopeful signs that Federal, state and local governments are awakening to the urgent need to solve this problem. The Administration has recommended to Congress that the Federal Government's transportation policies be reformed, and has asked that a modest mass-transit bill enacted by Congress last year be extended to a three-year appropriation of \$500 million to aid cities planning mass-transit systems.

Municipal authorities are turning to rail rapid transit as an efficient, low-cost solution to their transportation needs. San Francisco, Chicago and Los Angeles are planning new rapid-transit lines. A 15-mile transit system linking central Philadelphia and nearby South Jersey communities is in the final planning phase, with the Delaware River Port Authority empowered to issue up to \$15 million in bonds. In Atlanta plans have been drawn for a 60-mile rapid transit system costing \$215 million, which will be in operation by 1970. In at least a dozen other cities throughout the country, including Boston, Washington, Pittsburgh, Buffalo, Denver and Dallas, plans for rapid transit systems are in various stages of development.

Financing of new equipment is a major problem confronting the new rapid transit rail systems. In San Francisco, for example, citizens will be asked this November to agree to a \$790 million bond issue for a 75-mile rapid transit network. The success of the rail systems in obtaining financing such as this, whether through governmental or private sources, will affect the future of the railway equipment industry and of course the Railway Division of The Budd Company.

Based on conservative estimates of demand, at least

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The only time we've looked back in 100 years

. . . and the view is crystal clear: Great Northern Railway's progress has resulted from a constant effort to further the growth and prosperity of the region it serves.

Time works harsh penalties on businesses that are not built upon a belief that giving customers an extra measure of service for their money is the key to continued corporate life and vitality.

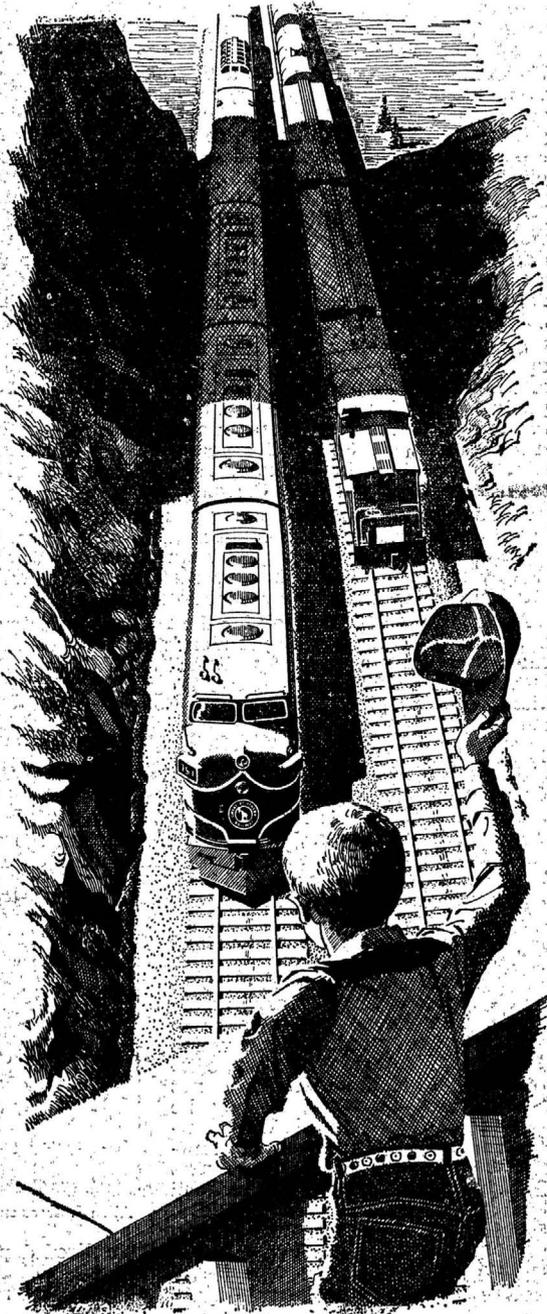
In these 100 years, we at Great Northern have seen many an enterprise come into being, then disappear as it failed to devote itself to daily-demonstrated *service* to the public.

The old saying has it, "As the twig is bent, so grows the tree". And this has been our pattern for ten decades. For James J. Hill, Great Northern's founder, understood the need for service in its fullest, most meaningful sense—and formed our first and all-time policy with these words: "*The railroad is in partnership with the land upon which we live and walk. It will prosper only when the land prospers or the owner prospers.*"

Thus, Great Northern has adhered all these 100 years to an effort to aid the region it serves by providing low-cost transportation of the products of fields, forests and mines.

While our region is blessed with a great natural abundance, it is at considerable distance from the consumption centers of the Middle West and the East.

So Great Northern looks at its job as one of "equalizing"—moving products of the Northwest to processing and consuming areas at prices that keep this area competitive with the same



commodities produced much closer to markets.

In its end result this unselfishness could be termed "calculated self-promotion"—for as the area we serve grows so Great Northern grows. By putting the area's prosperity first, the railway's own well-being has followed inevitably.

This habit—ingrained from our "childhood"—has enabled Great Northern to begin its second century with more vigor than at any time in its history.

A look to the next 100 years

Today, as in all the 100 years since the William Crooks pioneered our rail route from St. Paul up-river a scant ten miles, Great Northern's officers and some 20,000 employes are ever aware that their future lies on the bedrock of downright good service to the railway's passenger and shipping customers. Our habit of service runs far too deep and is much too precious to be laid aside simply because we've completed one hundred years.

We're pretty sure that come our 200th birthday we'll be thinking the same thoughts: that the railway has progressed because it continued to help its region grow and prosper by providing efficient, low-cost transportation services.

At least, that's exactly what we aim to keep on doing.

GREAT NORTHERN RAILWAY

1862



1962

Continued from page 14

a billion dollars will be spent in the ten years for rapid transit cars both for the new systems coming into operation and for expansion and modernization of systems now in operation. On the same basis, a minimum of 6,500 rapid transit cars will be built during that time, more than half as many as were built in the last 50 years.

The Budd Company, which pioneered in the development of stainless steel railway passenger cars, should be in position to play a major role in this growing market. For Budd, mass rapid transit will demand a minimum of capital expenditures for new facilities and equipment, without extensive research and development lead time.

So far this year Budd has received \$12 million in railway equipment contracts. During July, Budd received a \$3,000,000 contract for 12 ultra-modern, high speed, rail diesel commuter cars under the first loan approved by the Federal Government for the improvement of mass rail transportation. The cars will be financed through a government loan to the Passenger Service Improvement Corporation, Philadelphia, which in turn will lease the cars to the Reading Railroad. The PSIC is a non-profit corporation set up by the City of Philadelphia to help subsidize and improve commuter services.

A month earlier, Budd received a \$9,000,000 contract for 38 new air-conditioned railway commuter cars to be leased to the Pennsylvania Railroad by the PSIC.

The activities of the PSIC in Philadelphia show how a major city can do more than merely rescue existing railroad service. It can also improve its quality. To the extent that other cities adopt the same constructive approach—and the financing is available—the prospects are bright for the railway equipment industry in the next 10 years.

JOHN M. BUDD

President, Great Northern Railway

Great Northern's net income for the first six months of 1962 was very substantially ahead of the same period last year. Although results from operations in June this year were disappointing, net income for the opening six months was \$5,873,800, or 97¢ per share, as compared with \$1,751,000, or 29¢ per share in 1961.

While there were variations in the volume of several commodities handled in the first six months of 1962 and 1961, grain loadings continue to be affected by last year's relatively small 1961 crop along Great Northern in North Dakota and Montana.

The decline in grain loadings was offset by a 14% increase in iron ore shipments in the first six months of this year.

Most heartening is the news that prospects for the 1962 grain crop continue excellent as this year's harvest gets underway along the railway. Moisture has been abundant in most of the important producing areas, with some regions having excessive rainfall. This reversal of last year's drought has generated renewed confidence among farmers, ranchers and business people generally in Great Northern territory.

Great Northern passenger revenues are well ahead of last year, principally because of the Seattle World's Fair. The Fair was expected to stimulate an increase in travel over the railway this Summer and early Fall, and the Empire Builder and Western Star streamliners currently are being occupied to maximum capacity to and from Seattle.

W. E. DILLARD

President, Central of Georgia Railway Company

The first six months of 1962 brought Central of Georgia an increase of 8% in freight traffic over the corresponding months in the previous year, and prospects continue to remain exceedingly bright for the remainder of the year, despite some general economic uncertainty in the country as a whole. A significant development has been the Central's progress in TOFC and multi-level auto car transportation. Automobile loading from an assembly plant on our line began in May of this year and has provided a significant new source of business to us.

New industries continue to locate at strategic points on the Central of Georgia at a rapid rate, further substantiating our belief that the economy of the territory we serve will continue to rise. In fact, community interest in industrial development is at an all-time high. At the present the chief emphasis continues on the development of industrial parks at major points on our railroad. Such parks offer ideal locations for manufacturing and distribution facilities, and they are growing at a rapid rate.

In the meantime, efforts are continuing to modernize our operations and improve efficiency in every respect. We have stepped up our maintenance of way and maintenance of equipment programs, further mechanized and improved our timbering and surfacing maintenance gangs, and are upgrading our rolling stock.

We approach the future with enthusiasm and a determination that the Central of Georgia is going to con-

tinue to provide improved services to its users which will assure us a good share of the available business.

EDWARD S. EVANS, JR.

President, Evans Products Company

The midyear outlook for Evans Products Company is considerably better than it was during the same period last year. All divisions of the company continued to show improvement during the second quarter and a continuation of this improved level of performance is expected for the remainder of the year.



E. S. Evans, Jr.

As we go into the second half our Railroad Equipment Division continues to advance strongly. Both our original aluminum and new steel DF-B bulkhead devices for damage prevention in freight cars are being very favorably received by railroads and shippers in the United States and Canada. The DF-B is proving especially valuable to shippers of packaged and palletized commodities such as foods, beverages, appliances and other items normally shipped in cartons. The DF-B bulkheads, or movable parti-

tions, are installed two to a box car and are used to prevent load shifting and damage in transit. The device can be operated by one man. It is especially useful to shippers who wish to reduce loading time.

Sales of another of our devices, the Hydra-Cushion Underframe, also continue at a high level. This device was developed to meet the rigorous demands of today's freight car service not being met by standard draft gear. The Hydra-Cushion device absorbs and disperses the shock forces that cause damage. Loading stays in place and recoil is eliminated. The need for damage prevention devices of this type is apparent when it is realized that in addition to over \$100 million a year which railroads pay out in freight damage claims, they also spend an estimated \$700 million each year to repair freight equipment. Much of this outlay can be eliminated by increased use of devices such as Evans DF-B bulkheads and the Hydra-Cushion Underframe.

Sales of the company's other products also show an upward trend. Evans is one of the largest manufacturers and marketers of plywood, hardboard and related wood products. Our Building Materials Division is continuing to improve and expand its production facilities and distribution centers. So far this year we have added distribution centers in Jackson, Miss.; Lexington, Ky.; Melbourne, Fla., and New Orleans, La.

In addition to railroad loading equipment and building materials, Evans also manufactures truck heaters, bicycles and other wheel goods, curtain wall building panels, insulated truck bodies, metal-faced plywood, office partitions and architectural doors.

As to the midyear outlook for the railroad industry as a whole, the Treasury Department's new depreciation rules permitting a 14-year write-off should benefit all railroads and encourage them to up-grade their equipment.

ALLEN J. GREENOUGH

President, Pennsylvania Railroad

Our present outlook for traffic volume in the second six months of 1962 is nowhere near as promising as it was earlier in the year, when it appeared that the rise in industrial activity which began in March of 1961 might continue through most of 1962. In fact, it now looks as though our second-half volume will be somewhat below the second half of last year.

The same situation seems to prevail on most of the 40 Eastern railroads. The forces which were to stimulate heavy industry, on which roads. The forces which were to new heights of production have not materialized. However, it may be that the recently liberalized depreciation schedules will encourage capital expenditures of the sort that produce carloadings for our railroad and for Eastern lines generally. The same is true of any substantial cut in corporate taxes. In any event, neither liberalized depreciation nor a tax cut would benefit Eastern railroads directly, because at the present level of depressed revenues these railroads are not subject to Federal income tax.

In the face of these disappointments, the hard-pressed industry must nevertheless foot the bill for the increase of 10.28 cents an hour recently recommended for non-operating employes by an Emergency Board appointed by President Kennedy. On our railroad alone this amounts to about \$10.2 million on an annual basis. The increased burden could hardly have come at a worse time. Nor is the industry encouraged by union rejection, to date, of the reforms in costly featherbedding practices recommended by a Presidential Commission which for more than a year studied such practices and their dire effects on the industry.

In fact, the only bright spots of 1962 have been President Kennedy's "Transportation Message" to Congress proposing partial modernization of some of the more onerous railroad regulation by Government, and the acceptance by the press and public generally of the fact that railroads, including the Pennsylvania and the New York Central, must be allowed to merge in order

to improve their financial and competitive positions. There are bills before Congress to implement some of the Transportation Message, and hearings on our proposed merger with the New York Central begin before the Interstate Commerce Commission later this month.

On the outcome of such measures as favorable legislation, the right to accomplish soundly conceived mergers, and the elimination of featherbedding depends the future of the railroad industry as a free enterprise operation: otherwise Government take-over is almost inevitable. Even a brisk pick-up in carloadings, which is not now in sight, could only postpone that evil day for the railroads, for American industry generally, and for free enterprise as a way of life.

F. S. HALES

President, Nickel Plate Road

The Nickel Plate Road is continuing its improvement program in order to meet future service requirements and to secure additional traffic.

During 1962 to date, 100 70-ton covered hopper cars, 125 trailer units, 11 diesel-electric locomotives, and 50 caboose cars have been acquired. On order for delivery during the balance of the year are 50 70-ton Airslide covered hopper cars, 20 70-ton insulated steel box cars with special protective devices, 10 diesel-electric locomotives and two heavy-duty depressed center flat cars. All of the revenue equipment is designed for special services, which are becoming ever more important in the railroad industry.

Piggy-back service continues to be the fastest growing segment of Nickel Plate's business. Revenue carloadings during the first seven months of 1962 were 7.4% above the first seven months of 1961. During the same period, loaded trailers were up 26% in 1962 compared with 1961.

Gross revenues for the first half of 1962 aggregated \$66,323,000, and net income was \$3,929,000, or 94 cents per share. Gross revenues for the first six months of 1961 totaled \$62,338,000, and net income was \$4,133,000, or \$1 per share.

Some increases in general business activity is expected during the balance of 1962, and we are confident Nickel Plate will benefit from any such increase.

EDWIN HODGE, JR.

President, Pittsburgh Forgings Company and Its Subsidiary, Greenville Steel Car Company

The American railroads have for years been forced to struggle against heavily subsidized odds and to operate under long outmoded laws and regulations. Now we, who are closely associated with the railroad industry, are beginning to feel some genuine optimism that more realism is about to be applied in the treatment and regulation of this vital industry. There exists today some evidence that the dangerously unhealthy and unrealistic climate under which this country's railroads have been forced to operate, is finally beginning to get some serious consideration in the legislative halls and in the executive offices of the country.

In so far as Pittsburgh Forgings Company is concerned, we have had a reasonably satisfactory first half in 1962. Sales volume for the period was 131% ahead of the comparable months of 1961 when our business was quite depressed. A fair part of this improvement can be attributed to sales to the railroad industry. As a result of the general pickup in business in the latter part of 1961, railroad carloadings also improved moderately. This naturally encouraged somewhat greater activity in the purchasing departments of our railroad customers. Thus, our Greenville Steel Car Company subsidiary was able to effect a substantial increase in its year-end backlog of unfilled orders for railroad freight cars and parts. While there has been a modest increase in comparable carloadings so far this year, many will agree that the improvement in general business has not kept pace with the more optimistic predictions in some quarters.

Our own new business with the railroad industry . . . which consists primarily of building new freight cars of all types, repairing and upgrading freight cars, leasing cars, and supplying car parts and forgings . . . has continued at a relatively lower pace than our shipments. As a result, we are now able to schedule new business on a reasonably prompt delivery basis.

We look forward with both optimism and confidence, however, and offer the following comments in support of this view.

Because of the increasing awareness of the acute basic problems that unrealistic regulation, taxation and restrictions have heaped upon the railroads, we are hopeful that some measure of relief is finally likely for this most essential industry.

Given the opportunity to manage their operations, unshackled from the straight jacket of archaic regulations and obsolete laws, railroad management will show vastly different results. They will give a good account of themselves. Much emphasis will be placed on efficiency in operations and a vast market for new equipment of



Felix S. Hales



John M. Budd



Allen J. Greenough



W. E. Dillard



Edwin Hodge, Jr.

Continued on page 18

The Market . . . And You

BY WALLACE STREETE

A suspense story ended in the stock market this week and how much the on-again-off-again tax cut hopes had to do with it is moot. In any event, the industrial average rose above the 600 line for the first time since the May-June break.

That ended all the speculation over whether the line could kill off the rally that began last month. Why any particular level, even a nice, round one as in this instance, should of itself pose a problem is one of the market mysteries.

The fact, however, is that this particular index approached the level several times since the bear market dawned, and, each time it did, enough profit-taking showed up to foil any attempt to breach it. Such futile assaults on a particular level build up a psychological climate of apprehension whenever a new attempt is made and, to a degree, induce the selling that is self-defeating.

Ruling out any immediate tax cut had been pretty well anticipated by the market. In fact, the optimistic view even before the official word was that the market would do better either way the decision fell. This presumed that a tax cut would stir up market buying, but the decision not to make the cut would be official evidence that the economy is sound, which also would help the market. That proved to be the case.

The immediate reaction to the end of tax relief hopes was one of indifference. But with no chagrin selling to be absorbed, buyers took heart and became a bit bolder. Moreover, hopes were high that the rally could keep going since good markets are usual during summer months, and the stock market has a full two weeks before it reaches Labor Day which is a critical juncture since in some years drastic re-appraisals have occurred at that time.

As has been the case for a long time, the interest was all focused on the industrial index and the rail and utility ones were largely neglected. Both, in fact, had shown a disposition to falter while the senior average was backing and filling but they came to life a bit as the breakthrough came along.

Aerospace Reviving

Something of a repeat performance was the culling in the aerospace section after Russia's new space achievements hinted that our own efforts in this field would be stepped up importantly.

The company that is still regarded as an airplane parts supplier, but also has a solid footing in the aerospace field, is Rohr Corp. which had its group of followers because of its low price/earnings ratio and its 6% yield.

Rohr's closest links are with Boeing, Lockheed and McDonnell, which are leaders in the space-missile fields. One of Rohr's activities is supplying them with missile nozzles, and it is stepping up its participation in this field. A new, and still to be proven venture, is Rohr's entry into the large antenna structure field.

It has been showing earnings that ran more than double the dollar dividend requirement, and on estimates of a slight reduction in per share results in the current fiscal year is still available at less than eight-times the anticipated profits.

Grumman Aircraft Company

The aircraft company that pretty much has stuck to its last, although not unknown to space work, is Grumman. For many years this has been the chief man-

ufacturing, although unofficial, arm of the United States Navy and has been able to hold this role despite increasing competition. In a field noted for its booms and busts, Grumman has done a superior job of maintaining comparative stability. Furthermore it has shown earnings and paid dividends annually for nearly 30 years despite some year-to-year variations in its reports.

Apart from Navy planes, Grumman's big hope for the future is far from *Outer Space*. It has been the leader in developing a new concept for ocean boats, the hydrofoil boat. Currently the company is testing a 300-ton hydrofoil research ship which promises unbelievable speed for ocean liners of the future. Hydrofoils, in theory, will elevate a ship above the water surface and one large vessel under construction for the Maritime Administration is being planned to do more than 90 miles an hour. If successful, this will go into the Florida-Bahamas runs under lease to W. R. Grace & Co.

In addition to the prospects for civilian ships, the hydrofoil idea also could breed an entire new class of Navy destroyers, or destroyer escorts that would leave Grumman sitting in the center of a new science, and with a potential for unpredictable future profits.

Grumman hasn't neglected the possibilities in Space work and, in fact, is stepping up its participation in this field. It is, in fact, working on components for an astronomical space observatory for intensive study of celestial objects which is scheduled to be placed in orbit next year.

An Interesting, Although Glamorous, Item

There has been little glamor attached to such a mundane product as potash in the Space Age era, although when the market is under pressure, all groups suffer. International Minerals & Chemical has not been immune, so it has been available recently at well below its peak price and in a solid, 4% yield bracket.

IMC is an important fertilizer producer with stated earnings. In fact, it did dip slightly from \$3.07 to \$3.04 in its last fiscal year. Followers of the company see it moving, after some time on a plateau, once several of its current projects get going. For one, it has just completed a new Canadian potash mine which is the first new source of this material for the company in a score of years. The new mine when in full operation is expected to make the company the nation's top producing company. With a better grade ore, and no need to pay others for its supplies, important economies can be made by the company.

In addition, IMC hasn't had its own source of nitrogen compounds to round out its fertilizer business, but now has plans to cooperate with Northern Natural Gas to fill the gaps. It is expected to go into operation in the middle of next year. Since the main trouble with IMC's operating results has been a profit squeeze from lower selling prices, the efforts to shave costs with its new projects could shake the company out of the stable earnings status. And, in time, as operating results improve, the long-standing \$1.60 dividend could be improved since the prospects are that it will be earned twice over in the current fiscal year, even before the new benefits show up.

[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.]



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all types will result. This will take many forms from improved maintenance equipment and control systems to rolling stock.

Undoubtedly, the future operations of the railroads will utilize more and more special purpose freight cars, or as they might be described, transport equipment specially designed to do a specific transport job more effectively and more efficiently.

In this connection, our company, through its Greenville Steel Car Company subsidiary, has already developed and produced, either individually or in cooperation with others, such highly successful special purpose cars as the all-aluminum, tank-type, covered hopper car; the Flexivan piggy-back car; the heavy-duty depressed center car; and the tenelon stainless steel covered hopper car. Because of our own determination to progress, develop and cooperate with this great industry, we look forward with confidence to the brighter future.

ROBERT S. MacFARLANE

President of The Northern Pacific Railway

Northern Pacific Railway Company earnings, like those of many of the nation's railroads, were down for the first half of 1962. Higher operating costs contributed substantially to depressed earnings.

Freight revenues for the first half show a modest gain. Passenger revenues, stimulated by travel to the Seattle World's Fair, posted a strong gain over the first half of 1961.

The total gain in rail revenue, however is more than offset by increased operating costs due, in part, to one of the worst winters ever experienced in Northern Pacific's long history of railroad operation. Other factors contributing to lower earnings were: a sharp reduction in grain loadings resulting from last year's short crop, a heavier car maintenance and repair program and a wage increase for non-operating employees.

July forecasts for agriculture promise above normal production for this year. Realization of these forecasts should materially benefit the economy of the area served by NP. The effect on Northern Pacific revenues will depend largely on the marketing pattern. Early marketing and volume movement of the 1962 grain crop will have a favorable effect on revenues.

If the crop is held in storage on farms or at other interior locations, revenues from the movement of grain will be deferred.

With a favorable outlook for the movement of agricultural and forest products, expanded piggyback operations and a larger volume of automobiles being transported by rail, it is expected that earnings for the second half of 1962 will approximate those for the last half of 1961.

E. S. MARSH

President, The Atchison, Topeka & Santa Fe Railway System

Because of a number of factors local to its immediate operating territory, the Santa Fe's operating revenues for the first six months of 1962 fell short of earlier expectations, although they exceeded the revenues for the first half of 1961 by 2.3%.

These local factors included a sharp reduction in the 1962 winter wheat harvest; the ready availability of grain storage space in wheat growing territory; work stoppages in the building trades industries in California and also the New Mexico potash mining industry; a very reduced movement of export cotton because of curtailed export programs; and western fruit and vegetable production that was smaller and later than usual. The volume of general commercial freight has continued at a more satisfactory level and passenger revenues for the first six months of 1962 have exceeded those of the previous year by about 3%. Operating expenses felt the impact of the 10.2% wage increase that became effective in two steps commencing March 1, 1962, and they also reflected a continuation of upgrading the condition of Santa Fe rolling stock. The combined effect of these and other factors has been to reduce Santa Fe's net income for the first half of 1962 by about 16% as compared with the previous year.

Agricultural conditions in states served by the Santa Fe appear good at this time. The fall harvest of sorghum grains is expected to be at about the same level as in 1961, although there are some indications that a significant portion of the new crop may move into available storage facilities near point of origin, resulting—as in the case of the winter wheat harvest—in a reduced immediate movement of the new crop at harvest time.

Revenue prospects for the remainder of 1962 will depend largely on the state of the national economy. In this regard favorable action on the part of the Administration toward more realistic treatment of depreciation allowances reflected in the new guidelines permitting shorter lives for tax depreciation purposes should prove beneficial to many industries, including the railroads. It is quite possible that this action will stimulate business expenditures for capital improvements that are



Robert S. Macfarlane



Ernest S. Marsh

so badly needed for economic growth, and this in turn could stimulate the demand for railroad transportation. Combined with the recommendations in the President's transportation message, this development provides encouragement for the future of the railroad industry.

A. KING McCORD

President, Westinghouse Air Brake Company

The mid-year outlook for WABCO sales is encouraging. They are currently running about 10% ahead of the same period in 1961 and we believe this rate will continue for the remainder of the year. Our confidence in the future of American railroads is based on the assumption that when railway systems are permitted to compete more equitably with other forms of transportation—and this includes the right to discard duplicate trackage through merger—they will modernize plant, equipment and rolling stock at a much faster rate than at present. Current restrictions and the consequent low current profit rates make it difficult for railroads to invest in new equipment.

It is interesting to look at a few specifics of the proposed merger of the New York Central System and the Pennsylvania Railroad. Recently, the two lines announced that if allowed to merge, they would spend \$70 million on capital plant improvements.

A breakdown of this capital improvement program reveals several specific items in which we at WABCO are directly interested, such as the proposed electronic classification yard at Selkirk, N. Y., to cost \$19.7 million.

Recently, in our role as suppliers of equipment for the rail industry, we've seen their managers quickly accept new ideas. This has resulted, for example, in the use of centralized traffic control, longer trains—made possible by better braking systems—and piggy-back trailers, enabling the rail companies to recapture much of the inter-city freight it has lost to other forms of transportation.

But this eagerness to accept change is not enough. Rail managers today are stopped at almost every turn by outmoded laws and obsolete regulations.

Another factor that is bound to stimulate the railway supply business is the awakening of our country's leaders to the rapid decline in the number of freight cars in the nation's transportation pool. Today, the number of freight cars ready to roll in a national emergency is below safety levels. When legislative and regulatory handicaps are eliminated there will be healthy increases in orders for freight cars.

In other words, when our country's rail lines are given an equal chance, they again will be able to demonstrate their natural advantages and superiority over other forms of transportation. When this happens, equipment sales to that industry will rise and the economy as a whole will be greatly strengthened.

WILLIAM R. McCORMICK

Sales Manager, Railroad Division, Whitehead & Kales Co.

The railroad industry has been joined not only by its suppliers, but also by informed leaders in other spheres of business activity in its all-out drive for long overdue legislative changes. Stirred by President Kennedy's Message on Transportation in April of this year, the public too is becoming increasingly aware of the need for a program of modernized transport policy. As the roads gain in their struggle for competitive equality among common carriers through up-dated laws, many areas of traffic will open for them. Restrictive regulations have long hampered the full development of the industry's potential; the only notable advance in recent years being the Transportation Act of 1958 which gave the roads some exemptions from restraint in rate making. Trailer on flat car or piggy-back service, bi-level and tri-level automobile racks, and farm implement racks, all of which have quickly grown to substantial volume for the roads, are basically due to sound competitive freight rates established since 1958. Of course innovations in freight equipment have facilitated the economy of such rates. An outstanding example is the Tri-Level Auto-Pack pioneered by our company.

Our particular phase in the railroad supply field is primarily the special freight equipment required by the roads for the automobile industry. We fabricate and install interior freight car fittings and racks designed for specific automobile components. The third quarter of each year is normally our heaviest period as the changeover to the next model year gets underway. A peak period in this area is not anticipated but a moderate season reflecting modification to present equipment rather than its renewal. Continued demand for bi-level and tri-level automobile racks, as well as the agricultural implement device, is expected to continue at least through the third quarter. New products such as adjustable deck tri-level automobile racks for those roads with restrictive clearances, which we are presently building in limited quantities, could develop into strong dimensions during the second half. In all, we expect the year to end on a good note and are very optimistic about our future as the railroads, with the help of all, bring their proposed transport policy into law. Such a program will aid in the development and use of many innovations in the special equipment area of rail transportation and of course lead to increased volume in the supply field.



A. King McCord

J. C. MIXON

President-General Manager, Atlanta and West Point Railroad Co., The Western Railway of Alabama, and Georgia Railroad

The improved level of the economy which began the last half of 1961 has not continued at the accelerated pace anticipated or hoped for by these lines, and, while there was a marked improvement in traffic volume in the first four months of this year, it has been offset by continued mounting of costs of doing business, and the increased revenue has not been reflected in net earnings.

The area of Alabama and Georgia served by our railroads, blessed in an unusual way with many natural assets in the way of accessibility to markets, labor, raw materials, available capital, cooperative state and county governments, climate, and many others, is attracting new industries at a rate which would have been unbelievable to the most optimistic twenty years ago. Modern "tailored-to-perfection" industrial parks are being developed at tremendous costs to meet the needs of the most demanding and fastidious industry. Buildings are being erected on most favorable terms and are being sold or leased very readily, and others are being built to meet the specific requirements of industry.

Trailer on car shipments (piggyback) continue to grow, and we are installing new facilities as required to meet the demand for this type business which shows signs of returning to the railroads some of the LCL business formerly enjoyed. Railroads are making a determined effort to keep abreast of changing transportation conditions. The future holds forth somewhat brighter prospects for remedial measures looking toward stabilizing the transportation economy, reflected in no uncertain manner in the President's recent message to Congress.

H. C. MURPHY

President, Burlington Lines

Revenues of the Chicago, Burlington & Quincy for the first six months of 1962 approximated earlier estimates. Operating revenues of \$128.5 million were \$5.5 million more than for the same period in 1961. Freight revenues increased by \$4.6 million and passenger revenues were higher, by \$746,000, than for the same six-month period last year.

But there is cause for concern in the outlook for the second half of 1962. Although some categories of Burlington freight traffic are trending upwards, others are expected to show some decline. Recent and impending increases in wage and other costs will increase operating expenses; therefore, there is little reason for optimism about expected results for the second half, and for the year.

In the first six months alone, operating expenses increased by \$4 million over those of the first half of 1961. The full impact of wage increases will begin to be felt in the remaining months of 1962.

Currently in what appears to be an abnormal decline is traffic volume in coal, petroleum products, grain and perishables. These losses will likely more than offset gains being recorded in shipments of iron and steel products, manufactures, lumber, forwarder, traffic, sand and gravel and a few other commodities.

R. C. O'KANE

President and General Manager, The Buckeye Steel Castings Company

The current year started with a reasonably good backlog of orders which made it possible to operate at two-thirds of capacity during the first quarter of 1962. The second quarter's operations were at a much lower rate but still on a profitable basis. For the first six months of 1962, therefore, the company reported a net income as compared to a net loss for the first half of 1961.

The outlook for the third quarter would indicate that we will continue to operate just above the break-even point and to expect much more than that for the fourth quarter at this time would seem to be over optimistic. The railroads are confronted with a tremendously difficult task in recovering from their deteriorated net profit position even with the Administrative action already taken and the favorable legislation proposed. Their vast purchasing power will begin to assert itself but it is not indicated that it will be of sufficient magnitude to materially affect our net earnings for the year 1962. As a supplier to the railroad industry, we have been faced with the peaks and valleys which seem to be a part of this type of business. The company has managed to live with this erratic business picture as a major supplier for over 60 years and it is expected that we will be able to continue on a long range profit basis.



J. C. Mixon



H. C. Murphy



R. C. O'Kane

Continued on page 20

COMMENTARY . . .

BY M. R. LEFKOE

During recent weeks, a great many Americans have become increasingly confused by conflicting statements regarding the nation's economic health. The question of whether a tax cut would be made this year has served only to intensify their bewilderment. Furthermore, since the debate has raged over an issue directly affecting their own pocketbooks, they have desperately sought guidance from someone who would resolve their doubts and confusion.

Thus, when it was announced last week that President Kennedy would make a special economic address to the nation, many of them hoped that a clear-cut answer would be offered to them. On Monday night, millions sat glued to their radios and television sets waiting to hear, in the President's own words, what was happening and why.

Emphasis on Politics

While an answer of sorts was offered, it was interspersed between what turned out to be President Kennedy's first campaign speech of the 1962 Congressional elections. Mr. Kennedy told them how much better off they are today than they were under the previous Administration; he promised them even greater prosperity in the future if Congress could be persuaded to pass all of the legislation he has proposed; and he stated that he would ask for a top-to-bottom tax cut next year.

Relegated to a position of secondary importance was Mr. Kennedy's statement that a recession is not imminent and that a reduction in taxes is not necessary this year. And, in order to forestall criticism from those who disagreed with his diagnosis of the economy, he promised to call Congress into a special session later in the year to request an immediate tax cut if a recession did develop.

Of even greater importance than his conclusion regarding the country's economic health is the false sense of security he gave his listeners. Not only were they told that a recession was not imminent (a dubious proposition at best), but they were led to believe that a reduction in taxes later this year could stave off a serious economic contraction should a recession start to develop. The facts in the case of this assertion is thoroughly invalid.

Root of the Problem

Before one can approach the question of what action will reverse a decline in business activity, one must first understand what caused it. On several occasions earlier this summer an analysis of the economy was presented in this column. In addition, I predicted that a severe recession would begin before the end of the current quarter. This analysis and the reasons given for my forecast are extremely relevant to the issues under consideration and are, therefore, presented again in some detail, as follows:

"It has been evident since late last year that the future of the current business recovery was dependent upon the extent of capital expenditures. Personal expenditures were rising along with personal income. And, while a careful analysis of the underlying conditions of the recovery showed sufficient capacity on the part of manufacturers to absorb the increases in current personal expenditures, most economists believed that as personal expenditures continued to rise, this capacity would become strained and capital expenditures would increase sharply. They further contended that the increase in capital expenditures would serve as a stimulus to rising productivity and

income throughout 1962 and 1963. In so far as it went, this analysis was valid. However, most economists failed to realize that businessmen must take two factors into consideration before deciding to embark on a large scale program of capital expenditures—not only must they foresee a rising demand for their products which present capacity cannot supply, they must also have good reason to believe that they will be able to make a sufficient return on any new capital outlays, i.e., they must expect to make a profit.

"A businessman never knows for certain that an investment in new plant and equipment will prove to be profitable. However, when he only needs to be concerned with his own judgment regarding future supply and demand, costs and prices, etc., he is able to make decisions with some degree of confidence in his forecast. When the complete unpredictability of government intervention is added, or worse—when the President denounces businessmen as 'irresponsible' because they attempt to make a profit, then the businessman's confidence disappears completely. He is unable to plan for the future or invest for the future.

"The stable cost-price relationships necessary for long-range planning do not currently exist. Instead, we have some prices held down by arbitrary government edicts while others rise under the pressure of government induced inflation.

"Since the trends in government have been such that businessmen can have no confidence that they will be able to recoup their investment in new plant and equipment, they will not embark on a large scale program of capital investment.

"Instead of witnessing an insufficient increase in capital expenditures and a consequent slackening in business activity, we will now begin to see a retrenching on the part of businessmen and an actual reduction in capital expenditures.

"The uncertainty induced by President Kennedy's 'anti-business' and 'anti-profits' attitude have all but completely undermined the confidence of businessmen." Consequently, I think that we can anticipate "a recession of greater magnitude and duration than the present generation has yet seen."

Since a tax cut later this year will be an avowed anti-recession measure, businessmen will probably not change their spending plans in view of the temporary nature of the lower tax level. Thus, a reduction in taxes would, at best, have no effect at all. At worst, it might create additional uncertainty since it may be repealed at any time.

If a doctor were attempting to treat a physical disease, he could not effect a successful cure if he prescribed medicine only to alleviate the symptoms and refused even to admit the existence of a germ which caused the disease. The analogy with President Kennedy's position was readily apparent. He cannot cure the disease (a severe recession) if he prescribes medicine (a tax cut) designed only to treat the symptoms (a reduction in capital expenditure). His only chance for success lies in identifying the nature of the germ which caused the disease—government tampering with the mechanism of the free market. Hence what the President should do in the premises is to take measures that will speedily decontrol the economy. Nothing more is required; nothing less will suffice.

Florida Water & Utilities Co. Debentures Offered

Finkle & Co., New York City, has announced the offering of \$750,000 Florida Water & Utilities Co. 5½% convertible subordinated debentures, due Aug. 1, 1982, at par and accrued interest.

Net proceeds from the sale will be used to repay certain short term bank loans incurred to finance recent additions to the

company's facilities; to pay the cash portion of the purchase price payable in connection with the acquisition of all of the outstanding capital stock of Richmond Utilities Corp., and to provide Richmond with working capital; and for additions to the company's facilities during the balance of 1962. The balance of the proceeds will be added to working capital.

The debentures are convertible into common stock at the rate of 87 shares for each \$1,000 principal amount of debentures until July 31, 1972, and thereafter at the rate of 67 shares per \$1,000 principal amount of debentures, subject to

adjustment in certain events. The debentures are redeemable at redemption prices ranging from 105% to par, plus accrued interest.

On an unaudited basis, for the five months ended May 31, 1962, the company had total revenues of \$232,385 and net income of \$27,185. For the year ended Dec. 31, 1961, total revenues aggregated \$548,270 and net income was \$73,305.

Jos. Chakoff Opens

MIAMI, Fla.—Joseph Chakoff is engaging in a securities business from offices in the Seybold Bldg. He was formerly with Jay Morton, Inc. and Sirota, Taylor & Co.



Looking for an outstanding "growth situation"?

YOU WON'T FIND this one on the ticker tape. But if it's growth you're looking for—solid, spectacular, long-range growth—"Look South!" Don't take our word for it. The figures shown here, released recently by the U. S. Department of Commerce, furnish authoritative proof that this is so.

This report shows the South in a decade growing faster than the Nation in 25 of 28 lines of business activities. And during the same period, the South achieved a larger share in the Nation's over-all economy in 24 of the 28 categories studied. Here is no flash-in-the-pan growth pattern. It is the inevitable result of a young and vigorous industrial area enjoying right now its active, vital growing-up years.

It's easier to grow and prosper in a healthy, well-nourished climate of growth. So, if you have set your sights on an expanding and rewarding industrial future, why not come South now? You can't buy shares—but you can share in this amazing, built-in "growth situation." Let our Industrial Development Department show you how! "Look Ahead—Look South!"

Harry A. DeBattis CHAIRMAN OF THE BOARD
David Blotman PRESIDENT

SOUTHERN RAILWAY SYSTEM
WASHINGTON, D. C. THE SOUTHERN SERVES THE SOUTH

A recent U. S. Department of Commerce report for the period 1950 to 1960 shows the South leading the country as a whole in rate of growth in 25 of 28 lines of business activities. Here are examples:

	PER CENT INCREASE	
	FOR THE SOUTH	FOR THE U.S.
Dollar-value added by manufacture.....	120	90
Number of manufacturing establishments....	35	24
Manufacturing employment.....	24	10
Dollar-value of manufacturing payrolls.....	96	77
New plant and equipment expenditures.....	65	49
Dollar-value of retail sales.....	65	53
Dollar-value of wholesale sales.....	68	50
Dollar-value of payrolls in the trade field.....	94	89
Number of commercial and industrial establishments.....	13	1
Dollar-value of life insurance in force.....	180	130
Number of motor vehicles registered.....	61	50
Dollar-value of deposits in all operating banks.....	63	45
Dollar-value of all construction work.....	105	78
Production of electric energy.....	189	131
Per capita personal income.....	55	49
Dollar-value of mineral production.....	74	63
Cash receipts from farm marketings.....	22	17
Commercial and industrial employment.....	29	18

Continued from page 18

In the last four years railroad purchases for new freight equipment have averaged 37% below the yearly figures for 1948-1957, dropping to a 15-year low last year. This situation plus the effects of the cost-price squeeze has made it difficult to maintain an adequate profit level. At Buckeye, we are confident this situation will change. As evidence of this confidence in the future of the railroad steel castings business, the company is presently installing the most modern molding equipment available on the market today. This new equipment is being acquired at a cost of several million dollars and will enable us to supply quality steel castings with the proper margin at the highly competitive price levels which prevail in this industry.

The recently announced revision in depreciation rates by the Treasury Department should help the railroads finance their new equipment requirements. The railroads must be permitted to compete on more equitable terms and, therefore, a basic change in the restrictive regulations to a more liberal basis is also badly needed now by Congressional action. The pending consolidations should help the railroads' position through cost reductions and better service. All of these factors will aid the railroads in the years to come and, in its turn, the railroad supply industry will benefit by the railroads' improved position.

From the long-range viewpoint the need for modern railroad freight equipment is growing and we expect the existing down-trend to reverse direction. This change will be accelerated by positive action on the part of Congress but, most important, it will be due to the many constructive steps constantly being put in effect by the railroads themselves.

ALFRED E. PERLMAN

President, New York Central Railroad

Throughout the first six months of the year, a fairly high level of business activity persisted, with one segment of the national economy rising while another segment simultaneously fell. I expect this balanced, modestly rising trend in the economy to continue for the remainder of 1962.

Automobile production for the year should climb to almost seven million cars—an increase of 23% over last year. While that industry is having a good business year, steel operations have been declining and are now down to 52.5% of capacity, compared with the March peak of 83%.

However, inventory liquidation of steel is expected to end by September and production should then start to reach consumption levels. At the same time, residential construction, which has been on an upswing, will continue to increase during the next six months. Despite the fact that unemployment probably will not diminish to an anticipated 5%, consumer spending should continue at a high rate particularly in the area of durable goods.

As far as the New York Central is concerned, our economic outlook for the next six months is naturally uncertain due to the critical status of steel—one of our key industries. If the anticipated movement of steel becomes a reality, then we expect carloadings for the next six months to equal those of the same period in 1961.

On the other hand, the recent settlement between the railroads and the non-operating unions has stalled our efforts to return to a profitable position during the first six months of 1962. This is particularly true in view of the retroactivity features of the settlement. The pact will cost the Central an extra \$8 million per year in wages for off-train workers.

For the first quarter of the year, we were able to increase our operating revenues by 11.3% over the \$141 million for the same period last year.

At the same time, we have been able to continue reducing our funded debt. Despite declines in tonnage and revenue last year, we effected a \$27,855,165 reduction in that debt. By Dec. 31, 1962, we expect the aggregate debt reduction of the past five years to reach approximately \$200 million, a reduction of over 20%.

In addition, we will spend about \$23 million for new plant and equipment by the end of the year.

Moreover, the Central will continue a program of cost control and develop new and better ways with which to meet the changing needs of our customers.

Towards this end, we recently inaugurated an experimental coal-shuttle service capable of transporting huge quantities of coal more efficiently and at a lower cost than any other form of transportation. We plan to establish, in the near future, similar experimental shuttle-trains to move other bulk commodities.

Additionally, we just introduced a new phase of operation in our market research department to analyze the cost and over-all shipping requirements of users of private carriage. In this regard, we plan to demonstrate our ability to provide a better and more economical service than private carriers are able to perform with their own equipment.

Central is likewise making new uses of data systems through effective utilization of control data produced by newly developed equipment and concepts in the field of electronic aids to management.

Although 1962 does not promise to be as favorable a year as one would like, nevertheless, I feel that our rehabilitation programs combined with our service improvements, newly created service areas and our research techniques, enable us to anticipate better times in the immediate future.



Alfred E. Perlman

WILLIAM J. QUINN

President, Chicago, Milwaukee, St. Paul and Pacific Railroad Company

The most evident fact bearing on the railroad outlook is that action in line with President Kennedy's recent transportation message to Congress and the report of the Presidential Railroad Commission on work rules is essential to the industry's progress. Wage increases granted this year, and those which are pending, require offsets through legislative and work rules relief.

Although the Milwaukee Road anticipates that its own prospects will be determined largely by the trend of the general economy during the last half of 1962, very favorable growing conditions in much of the territory served by the railroad point to a better-than-average grain crop and a substantial movement of agricultural products.

The seasonal upturn in traffic which historically occurs on the Milwaukee during late summer and fall will be strengthened by the slight improvement in general carloadings which occurred on the railroad during the first half of 1962, compared with the same period of 1961.

The Milwaukee Road is this year carrying out a capital improvement program carefully planned to give first consideration to shipper needs and to those items of cost which will place it in a position to take maximum advantage of any improvement in general business activity. A major part of the outlay this year has been for a fleet of 655 new freight cars of various types, all of which have been delivered and placed in service. All of the new cars are equipped with roller bearings and, in keeping with shipper preference, are of 70-ton capacity, which represents an increase over most older equipment.

Also in direct response to known shipper needs, the Milwaukee has this year placed in service 22 side-door refrigerated vans as the latest addition to its expanding fleet of Flexi-Van equipment. Designed for carrying fresh meats and other special products, these vans are the first of their kind in the railroad industry.

The installation, late in 1961, of an IBM 7070 electronic computer in the Chicago offices has further improved customer services and added greatly to the efficiency of operations. The computer is now operative in all four of the initial application areas: freight revenue and station accounting, inventory management, car accounting data, and payrolls. Also recently installed is a new data gathering network which provides input information essential to full realization of the computer's speed and versatility.

Loadings of new automobiles in multi-level rack cars are increasing steadily. Transcontinental handling of this traffic from points in the Midwest to the Pacific Northwest was made possible last year by lowering the floors in 31 mountain tunnels. Conventional piggyback and Flexi-Van loadings show marked improvement over last year, and are expected to continue heavy.

The active industrial development department of the Milwaukee Road has in recent years opened industrial districts at Franklin Park, near Chicago, and at Cedar Rapids and Des Moines, Iowa, and the Milwaukee Land Company subsidiary has acquired about 2,500 acres of land for industrial purposes at several points along the railroad. In addition, the industrial development staff has worked with private developers in establishing new industrial parks, some of the most notable of which are Clearing Industrial District of Franklin Park, Ill., Centex Industrial Park at Elk Grove, Ill., the Sioux City Industrial Development Corporation District at Sioux City, Iowa, and Andover Industrial Park, just south of Seattle, Washington.

In all departments new techniques, careful direction of expenditures, and general cost reduction are improving the Milwaukee Road's service and earning potential.

GLEN RAMSEY

Vice-President, General Manager, Rectifier-Capacitor Division, Fansteel Metallurgical Corporation

The tremendous impact that a healthy railroad industry has on our over-all economy is, I'm afraid, not fully appreciated. While there is a widespread awareness inside and outside the business community of the need to keep the greatest and most efficient transportation system in the world sound and healthy, not enough people realize that the diseases of sick railroads spread out and affect almost every form of business and human activity in almost every state and city of our nation.

Railroads and Suppliers Employ Millions

Because of a basic decision, made at the outset and which has remained unchanged to this day, our railroads have confined themselves to providing vital public service and to purchase their requirements from the experts in the arts of manufacturing. The two, the railroads and railroad suppliers, have grown together to form a sizable and vitally important part of our national economy. Literally millions of people are directly or indirectly dependent on these industries for employment. When this purchasing



Glen Ramsey



William J. Quinn

power is curtailed, the community, local retail and wholesale trade are adversely affected and the fires of recession are fueled.

Everyone, from the highest government official to the man in the street, should be concerned about the economic health of our railroads. Since 1957 there has been a great reduction in purchases by railroads. Yearly purchases averaged \$2,368,000,000 from 1946 to 1957, reaching a peak of \$3,589,000,000 in 1951.

Given the Opportunity Railroad Purchases Will Rise

With the reductions since 1957, the railroads are no longer a \$2 to \$3 billion a year customer. Yet it is ironical that the railroads are in need of additional equipment and supplies to expand their services to meet the ever increasing demands of our expanding population. In order to make these purchases, however, the railroads must make a profit or at least be given the opportunity to operate profitably. The problems which affect the ability to make a profit are many and varied. There has been much discussion on these problems and many, including this writer, have expressed their feelings regarding them.

Some Progress Made but More Action Needed

Some but not enough progress has been made because the railroads are still close to the "point of no return". They can be saved if all of us, the government, the people and the railroads will get behind the programs already started or suggested and push them through. What is needed is quick action regarding taxes, depreciation, freight rates, operating expenses and relative treatment of competition.

President on Right "Track"

I honestly believe that justice will finally come to the railroad industry. I think President Kennedy is on the right "track" in his message to Congress regarding transportation, which opens: "An efficient and dynamic transportation system is vital to our domestic economic growth, productivity and progress".

I support the President's recommendations regarding: "Transportation of bulk commodities for which railroad carriers operate under minimum rates and others are not restricted. It is proposed that the act be changed to maximum rates for all carriers. The same recommendation applies to agricultural and fishery products and intercity passenger rates."

"Assure all carriers the right to ship vehicles or containers on the carriers of other branches of the transportation industry at the same rates available to non-carrier shippers."

"Repeal the provision of the Interstate Commerce Act which now prevents a railroad from hauling cargo it owns."

"Repeal the 10% transportation tax."

"Permit the railroads to operate under the same terms and regulations as competitive systems."

This will make for a healthy railroad industry, provide a sorely-needed shot in the arm to our economy and insure that there will be no gaps in transportation for the defense of our nation.

What is good for the railroads is good for all of us.

DONALD J. RUSSELL

President, Southern Pacific Company

Southern Pacific and the area it serves are both benefiting this year from the railroad's long term program of modernization and upgrading of its physical plant.

For the public this has meant improved train service.

As an example, 215 miles of centralized traffic control, now being installed in the San Joaquin Valley, will speed the movement of trains and permit more efficient utilization of the rail line.

For the railroad, first half net earnings, substantially better than last year, represent the best January-June period in several years. Freight traffic has been moving in good volume, and of course, SP's position is helped by diversified non-rail activities such as trucking, pipelines and real estate rentals.

This year we are spending money for equipment to take care of anticipated future traffic in the fast-growing part of the nation served by Southern Pacific, and we are constantly striving to make our operations more efficient. Recent completion of new diesel servicing facilities at several locations and major improvements made at our Sacramento General Shops are typical of advances aimed at getting the most out of our equipment. By reducing "down" time for repairs to diesel locomotives, maximum utilization of our motive power fleet is possible.

SP is investing \$93 million this year in capital expenditures for new facilities and equipment. Of this, \$69 million is being spent to purchase highly-specialized rolling stock to answer the requirements of today's shippers.

New railroad and highway equipment being delivered consists of 3,000 freight cars, 100 mail and express passenger cars, 64 diesel locomotives and 1,081 trucks, trailers and tractors. Included in the rail equipment are 1,958 wide-door box cars, which are especially suited for mechanical loading and unloading. (Southern Pacific already leads the nation's railroads in ownership of these cars.)

To take advantage of our modern, high capacity equip-



Donald J. Russell

ment we have provided incentive rates to promote heavier loading with consequent savings for shippers.

We believe railroad service still represents an excellent bargain for the public, even in this era of rising prices. During the last 20 years, railroad wages have multiplied nearly four times, taxes have doubled, and fuel, materials and supplies have more than tripled in cost. Yet in this same period, the increase in freight rates has averaged less than 50%.

The government's role in rate making has received much attention in the press this year as a result of President Kennedy's transportation message. He has asked Congress to reduce the amount of federal regulation of minimum rates, permitting the railroads to pass along to shippers the inherent advantages and low cost of efficient rail service.

Bills are pending before the Senate and the House of Representatives which would repeal certain statutory restrictions on railroads which are now in effect. Existing laws grant special exemptions from rate regulation for water carriers transporting bulk commodities and for trucks carrying agricultural and fishery products. Freeing the railroads to compete on equal terms with these other modes of transportation, through greater freedom as to minimum rates on this traffic, would directly benefit the shipping public.

In the meantime and in any event, we intend to keep on using to the fullest the technological advances made by the railroad industry. We will continue to invest in centralized traffic control, automatic car classification yards, microwave communications and data processing machines to streamline our operations and offer the kind of transportation service needed in this fast-moving economy.

JOHN W. SCALLAN

President of Pullman-Standard Division of Pullman Incorporated

After four years of famine business during which the railroads saw their carloadings and earnings drop to the lowest level since the depression years of the 1930's, there are indications, as we enter the second half of 1962, that brighter days are ahead for the railroads with resultant benefits to the supply industry.



John W. Scallan

Recent action of the Treasury department and the Internal Revenue Service in setting up new, and more favorable guidelines and rules for the depreciation of railway equipment and facilities should act as one stimulant to rail carriers to modernize and improve their properties, and the repeal of the wartime 10% passenger-fare tax, should aid in further reducing passenger losses.

Now if the Congress will match the recent constructive action of the Administration by promptly passing bills designed to implement the rest of President Kennedy's recommendations on transportation, we would all share in a new era for both the railroads and their suppliers.

Despite the fact that the first six months of 1962 showed no improvement in the ordering of freight equipment, Pullman-Standard has shown no letup in its efforts to develop from its research and engineering the new cars and products that the railroads will need to effectively solve the material handling problems of their customers.

Although the railroads have been unable, because of depressed earnings to replace their fleets of freight cars in wholesale lots, there has been a growing interest on their part to buy specially designed equipment for the specific needs of various types of cargo, as well as in cars and devices to protect lading in transit.

As a result of its long-term effective research and development program and design engineering effort, Pullman-Standard has been able to sell an increasing percentage of this specialized equipment. An outstanding example of this was the LO-DEK flat car, which being 11 inches lower than any existing flat car, enabled many railroads with clearance problems to increase their piggybacking business. This car, a product of our research laboratories, also has been instrumental in assisting railroads to more than triple their business of shipping new automobiles from plants to distribution centers.

One of Pullman-Standard's most significant developments has been the Hydroframe-60 underframe. This cushion underframe, for which Pullman-Standard has been granted a broad patent, is probably the most significant development to date for protecting of lading and reducing in claims for damage to goods in transit. In addition, this development permits design of certain types of special cars that would not be feasible. An example of this is the P-S Full Door box car, whose full length doors roll up into the top of the car like a garage door.

Many other major changes have been made in freight cars during the past three years with the result that many of the older cars now in service have become obsolete, and once railroad earnings and carloadings return to normal, with help from constructive legislation now under consideration, the potential market for these new type cars should be considerable.

With respect to passenger traffic, Pullman-Standard is concentrating its efforts in the rapid transit and commuter fields, with the full understanding that the nation's urban communities will continue to require mass passenger rail service for their commuting residents.

Joins Keon Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Darby Maner is now affiliated with Keon and Company Inc., 692 South Spring Street, members of the Pacific Coast Stock Exchange. Mr. Maner was formerly with Olmstead, Allen & Co. and Lester, Ryons & Co.

Eisner and Herman S. Rappoport are now associated with their New York office, 50 Broadway, as registered representatives.

The firm also announced that Paul H. Hester, Jr. and William J. Hogan are now associated with their Daytona Beach, Fla., office, 105 Seabreeze Boulevard, as registered representatives.

With Middendorf, Colgate

SAN FRANCISCO, Calif.—Robert D. Byrne has joined the staff of Middendorf, Colgate & Co., 233 Sansome Street. He was formerly with Walter C. Gorey Co.

To Join Bache & Co.

Paul Guterman will join Bache & Co., 36 Wall Street, New York City, members of the New York Stock Exchange, effective Sept. 1, as a trader in metals.

Mr. Guterman, a graduate of Goettingen University, Germany, was formerly Vice-President and a Director of Metal Traders, Inc.

With H. A. Riecke

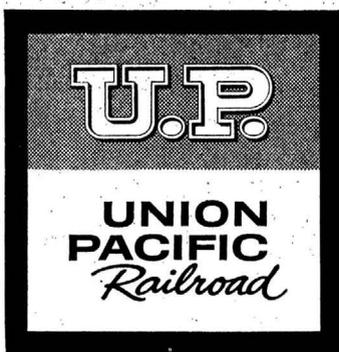
H. A. Riecke & Co., Incorporated, members of the New York Stock Exchange and other leading exchanges, announce that Irving Bernstein, Jon Cedar, Norman

Now Commonwealth Inv.

PITTSBURGH, Pa.—Raymond H. Sigismund, 601 Grant Street, is now conducting his investment business under the firm name of Commonwealth Investment Securities Company.

Set your site for profit in the Union Pacific West... served the **the automated rail way**

Map locations: SEATTLE, SPOKANE, TACOMA, PORTLAND, BOISE, BUTTE, POCATELLO, CHEYENNE, OMAHA, CHICAGO, RENO, OGDEN, DENVER, ST. LOUIS, SAN FRANCISCO, LAS VEGAS, SALT LAKE CITY, KANSAS CITY, LOS ANGELES.



For suitable sites in the West, please contact.. Land Division UNION PACIFIC RAILROAD 1416 Dodge St., Omaha 2, Nebr.

or 626 Fifth Ave., Suite 350 Rockefeller Center New York 20, N. Y. Phone Circle 6-4900

Executives looking for sites for a new plant or warehouse should consider the opportunities along the routes shown here.

This is the growingest area of the United States, where 9 out of 10 industrial markets are outpacing the national growth.

When you locate along Union Pacific, your freight moves the automated rail way—smoothly, swiftly, dependably—thanks to electronic communications and extensive automatic traffic controls.



Rediscover the rest and relaxation of travel pleasure and leisure in a Domeliner. Money saving Family Fares apply to both Pullman and Coach travel.

Continued on page 22

Continued from page 21

STUART T. SAUNDERS**President, Norfolk and Western Railway Company**

I believe the nation's railroads have turned the corner, and I am optimistic concerning their future. There is little doubt that, regardless of innovations and improvements in other modes of transportation, rail carriers will remain the most dependable and economical method of long-haul transportation of freight.

Looking toward a growing economy, the railroads are making progress in modernizing their great transportation capacity through improved technology and equipment. They are also further strengthening their ability to compete in the expanding transportation market through mergers and consolidations.

Equally important, railroads are making tangible progress in achieving relief from burdensome regulations. Not only the Federal Government, but more significantly, the public at large, is becoming more and more aware of the unfair handicaps under which rail carriers have been required to operate. I believe it is being increasingly understood that the industry wants no special privilege, but merely the right to compete on an equal basis with other transportation media.

The principal problem facing the railroads at the present time is burdensome and outmoded work rules. The rapid technological progress which has been and is continuing to be made by rail carriers requires modification of rules which were adopted many years ago.

Moving from a consideration of the rail industry as a whole, we are glad to report that Norfolk and Western continues among the nation's strongest and most efficient carriers, and we believe its proposed expansion into a larger system will ensure its progressive future.

Our successful merger with the Virginian Railway in 1959 proved the efficacy of rail mergers and combinations, and we believe our pending proposal to combine with the Nickel Plate, Wabash and other lines, which combination awaits Interstate Commerce Commission approval, is both financially and economically sound.

Our intensive campaign to bring new industry to Norfolk and Western territory is showing results. Additional coal and other mineral properties are being developed along our railroad and we will put in operation this fall at Norfolk the world's fastest loading coal pier. We also will lease a new merchandise pier now under construction at Norfolk. In addition, we have recently placed substantial orders for new motive power and rolling stock, including a large number of special purpose cars. Our studies of the integral train, a concept for which our line is admirably suited, are also progressing.

Norfolk and Western's 1962 first half net income of \$28¼ million, or \$3.76 a share, was 12% above that for the same period last year, and the percentage of our revenues consumed by operating expenses was reduced to 55. Results in the third quarter will not compare as favorably with the same period last year when the nation was experiencing a pickup from a business slump. I am confident, however, that 1962 will be another good year for Norfolk and Western.

JOHN W. SMITH**President, Seaboard Air Line Railroad Company**

Although railroad revenues for the first half of 1962 have exceeded those of a year earlier, there has been nothing spectacular about the increase. In general, the improvement has been gradual, with no sharp upswings, much in line with the trend in the over-all economy.

The outlook for the immediate future is something less than clear. Cross currents which have developed in recent months do not appear to have run their course, with the result that business as a whole is evidencing some hesitancy about making commitments for large-scale capital expenditures.

For the longer term, however, there is sound reason to expect a continuing growth in the national economy and an expansion of industrial and commercial activities. It is certain that the Southeast will share prominently in that growth, a factor which should generate additional traffic for the railroads serving that area.

Possessed of a wide variety of natural resources, the Southeast has enjoyed for some time a rate of economic development that has outstripped that of the country as a whole. A significant feature of this growth is the wide diversity of industrial enterprises that have been located in the region. Indeed, almost every type of operation, from the processing of foods to the manufacture of electronic equipment, can readily be found here.

The Seaboard has long taken an active role in fostering the industrial development of its territory and at the same time has built up its physical plant to meet additional needs for transportation. Thus far in 1962, for example, we have put into service 1,250 new freight cars, representing an investment of some \$15,000,000. Included in the lot are 500 large capacity (70-ton) box cars equipped with cushion underframes, one of the latest and most satisfactory devices for preventing damage to lading.



Stuart T. Saunders



John W. Smith

Our piggyback operations have been enlarged also during the first part of the year, through the addition of new equipment and facilities. This class of traffic continues to register substantial year-to-year increases and gives promise of sustained growth in the future.

To sum up, while the current outlook holds no strong indications of a pronounced upturn in general business activity during the next several months, it may well prove to be that this "breathing spell" will lay the foundation for a vigorous forward movement over the longer pull. Seaboard expects to participate fully in the further economic growth of its territory and our plans are being made to that end.

W. JEROME STROUT**President, Bangor and Aroostook Railroad Company**

Historically, the earnings of the Bangor and Aroostook Railroad have a direct relationship with the Aroostook potato industry, and 1962 has been no exception. A brisk second quarter brought the railroad's earnings much closer to 1961 levels than appeared possible during an exceptionally slow first quarter.

Market conditions, coupled with a railroad program of free pre-cooling of potato cars, largely accounted for the spring upswing in potato earnings. Other important commodities, including pulpwood, paper and petroleum products, remain at healthy levels. The many variables of potato marketing make predictions hazardous, but we expect to transport at least as many potatoes during the 1962-63 season as in 1961-62. The rapid growth of processing plants in northern Maine and elsewhere appears not to have affected the market for fresh potatoes as much as anticipated.

One of the most significant developments of the past six months has been the publishing of joint I.C.I.* rates with a Maine common carrier trucking firm, Fox & Ginn, Inc. The move is significant as the beginnings of integrated transportation in Maine. The move was made only after careful study indicated that it would not affect the freight traffic of adjoining railroads. Application has also been made for publishing of joint rates with the same firm to Boston, which will greatly increase the potential. We believe that connections between different forms of transportation can eliminate much of the destructive competition between them and can lead to higher performance. And, as an originating and terminating carrier without overhead traffic, every pound of freight is important to us. Contrary to the experience of many roads, we have found I.C.I. traffic profitable to handle.

Rate-making and study will become an increasingly important area of marketing for the Bangor and Aroostook in the next months. During the past year, rate cuts have been put into effect on frozen foods, potatoes and starch with good effect. We feel that rates offer a powerful competitive weapon and represent an area for fruitful marketing research.

Mechanization, particularly in maintenance of roadway, is an important part of our future. Purchases of heavy roadway machinery in 1962 will bring Bangor and Aroostook purchases to nearly a million dollars, largely spent in the past five years. Savings of \$200,000 a year have been made by such improved technology with more purchases planned for the immediate future.

The railroads of this country have been balanced on the knife edge of crisis for nearly 10 years. But railroad reform is like patriotism; everybody approves of it in principle, although nobody does much about it. The Transportation Act of 1958 was a start. President Kennedy's transportation message may be the beginning of real progress. The railroads have never had more public support than now. If this means that real surgery can be performed, if it means a comprehensive, fair transportation policy where highway, rail, water and air transport can compete on merit alone, then we will see a dramatic resurgence of the railroad industry.

*Less than carload.

W. R. TIMKEN**President, The Timken Roller Bearing Company**

The resurgence of the American railroad industry is a most important fact to our national economic well-being. Yet, the giant strides of progress made in railroading these past several years are not generally realized by many of us. Piggy-back cars, hauling trucks rapidly over long distances, were seen at first a couple of cars at a time. Now complete piggy-back trains are making regularly scheduled runs. This service has increased at a phenomenal rate and holds promise of even greater business.

Higher freight train speeds, are now maintained. Faster service for all shippers, especially for those in the livestock and perishable goods lines, has resulted. Costs have been markedly reduced. A more efficient utilization of equipment and the development and use of special-purpose cars have contributed to the railroad's war on costs. These cars can be loaded and unloaded much easier and faster, eliminating much of the labor costs in materials handling. Larger cars have



W. Jerome Strout



W. R. Timken

The Security I Like Best

Continued from page 2

during the past three years, when total output from the four plants averaged 5,000,000 cubic yards. Proven reserves at one inactive quarry — Cedarcliff, N. Y. — are stated to be 160 million cubic yards of finished stone. Over the years the company has acquired extensive land holdings, now totaling about 5,500 acres. In Rockland County alone, the company owns over 1,500 acres.

Transportation from quarry to customer is as important as the production of the stone. The company owns and operates a fleet of 220 barges (73 steel, 147 wood) which can be seen throughout New York Harbor carrying stone to customers' docks. Fifty-four of these barges are fully depreciated and are carried on the books at zero. It also owns and operates a modern 1,800 horsepower push-type towboat.

Capital needs in the construction industry are heavy. New York Trap Rock Corporation spent \$12,882,000 for additions and improvements to its property, plant and equipment in the five years prior to its public stock offering. Then, in the latest fiscal year (ended March 31, 1962) capital expenditures rose to \$6,960,000, reflecting the management's progress in expanding into new fields. A new lightweight aggregate plant was built, in Kingston, N. Y. and completed in March, 1962 at a cost of \$2,500,000. The assets of Gotham Sand & Stone Corporation and its subsidiary, Suffolk Sand & Stone Corporation, were purchased. These consist principally of dock leases and heavy equipment. The docks, strategically located along the north shore of Long Island, are ideally situated for delivery of stone to this rapidly growing area. In addition, a one-third interest in Port Concrete Corp., a new ready-mix concrete company in Albany, New York, was acquired in November, 1961. This acquisition is expected to broaden the market for its products in the Albany area.

Property, plant and equipment were carried on the March 31, 1962 balance sheet at a depreciated value of \$25,848,000. This was less than the company's capital expenditures in the past 10 years of \$26,083,000.

The company is fortunate in having practically no inventory problem. Stone can be blasted, crushed, screened, washed, loaded and delivered within four days. Finished product inventories on March 31, 1962 were \$440,000, compared with sales for the year of \$14,761,000. Heavy capital expenditures on automation of plants and modernization of towing practices have enabled the company to deliver vast quantities of stone in any required size, anywhere in New York, practically at a moment's notice.

Restoration and growth of earnings seem well under way. For the quarter ending June 30, 1962 net income was \$484,584 or 47¢ per share on sales of \$6,710,926 compared with \$240,359 or 28¢ per share on sales of \$4,150,263 in the same quarter last year. Estimates for the full fiscal year which will end March 31, 1963 are around \$1.75 per share. Depreciation and depletion will probably generate another \$1.50 per share so that cash flow may be better than \$3.00 per share.

There were three principal reasons why the company's earnings declined in the fiscal year ended March 31, 1962. A strike in New York and on Long Island of construction material truck drivers reduced volume drastically for eight weeks at the height of the operating season. Spring weather in that year was probably the worst on record. Also

Continued on page 23

development and preliminary operating costs of the new lightweight aggregate plant further reduced net income by \$162,000. Earnings for the year dropped to 64 cents a share from \$1.74 in the fiscal year ended March 31, 1961.

The first public offering of New York Trap Rock Corporation stock was 175,000 shares at \$19 a share in June, 1961. All of these shares were sold for the account of the company and all of the proceeds were used to acquire shale bearing lands and to construct the lightweight aggregate plant near Kingston, N. Y. This plant, now in operation, is shipping and selling products under the trade name of Nytralite. Normal break-in difficulties resulted in a loss being incurred by Nytralite in the first quarter of the present fiscal year. However, the market reception for the new product has been excellent and consideration is being given to doubling capacity as provided for under the original plant design. Lightweight aggregate is the "puffed wheat" of the construction industry and is a product obtained by the heat treatment of shale, clay or slate. Tough and hard, it is approximately half the weight of crushed stone. The advantages of this are evident in multi-story building where the use of lightweight concrete permits a reduction in the size and strength of supporting members. It has been estimated that over 50% of the buildings under construction today in the New York metropolitan area are specifying lightweight aggregate, and its use will continue to grow. Average delivered price of "lightweight" is \$9 per ton as against \$3.10 to \$3.15 per cubic yard or \$2.50 per ton for crushed stone.

The company's annual report refers to a favorable development during the past year. The company changed its method of fleet operations by terminating the employment of scow captains. Previously, each barge operated by the company had been manned by a captain. The National Labor Relations Board ordered the company (and others) to bargain with an independent union. From this order an appeal was taken to the United States Circuit Court of Appeals. The Court has now decided the case by setting aside the order of the National Labor Relations Board and declining to enforce it. There may, of course, be an appeal.

Shares outstanding are 1,041,025. There is no preferred stock. Long-term debt consists of \$4,976,000 4½%, 5% and 5¼% notes due 1963 through 1968. There are no mortgages and the company owns all its quarry property in fee. Dividends are currently being paid at the quarterly rate of 10 cents and a 2% stock dividend was paid on July 6, 1962. Book value of the company's stock at the end of the latest fiscal year was more than \$24 per share (including \$1,458,000 deferred income taxes as equity).

Conclusion

In these times of high price-to-earnings, it is becoming exceedingly difficult to find a low-earning ratio stock offering good growth prospects. In New York Trap Rock we believe such a situation exists. It is selling at less than 10 times this year's estimated earnings and about nine times average earnings for the last five years. In most cases of low-earning ratio the future is clouded but Trap Rock appears to offer excellent possibilities for potential gains. The present and future high levels of construction anticipated in the metropolitan area should materially benefit the company. Further, the management now appears to be much more dynamic in its approach to new business and earnings could move up sharply from the static level of the past few years.

The stock is traded in the Over-the-Counter Market.

Continued from page 22

been developed which have resulted in lower hauling costs per unit of freight.

Timken "AP" (All Purpose) railway bearings have been an important factor in the steady comeback of the American railroads. The Timken "AP" bearing has made greater freight car speeds possible. Expensive delays caused by hot boxes are a thing of the past. Maintenance costs have been slashed. Timken bearing equipped cars are averaging over 100 million miles per car set out for over-heating bearings. This is in sharp contrast to the 8 to 9 hundred thousand miles per set out for hot boxes on friction bearing equipped freight cars.

In four short years the percentage of new freight cars equipped with roller bearings has increased from 10% to 75% which emphasizes the industry's determination to improve its competitive position.

Cars for many different uses and many different commodities are being designed at such a rate that railroad management is encouraged by the possibility of this development to improve the industry's ability to serve shippers.

In the long run, prospects for American railroads are good. Shippers realize the important part railroads play in the welfare of our economy. The steadily increasing use of the piggy-back trains by the trucking industry is eloquent evidence of the vital importance of railroads to industry and commerce.

W. THOMAS RICE

President, Atlantic Coast Line Railroad Company

Carloadings on the Atlantic Coast Line Railroad during the first six months of 1962 were considerably higher than for the same period last year. On the basis of this first half-year performance it is expected that Coast



W. Thomas Rice

Line will close out the year with a very fine increase in operating revenues.

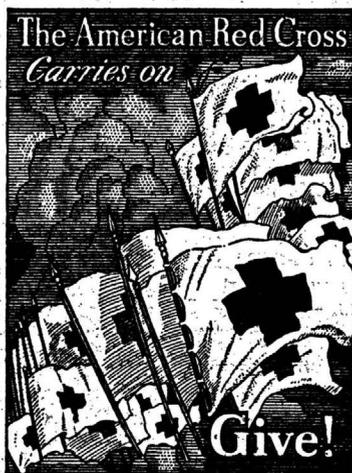
One of the bright spots in the overall picture for Coast Line is the very impressive growth of piggy-backing. We confidently expect the gain in piggyback traffic to continue. A larger fleet of trailers, particularly for the movement of perishables, will enable us to provide service for a greater share of the piggyback market, as well as expand into the movement of a greater variety of commodities.

Another particularly encouraging trend is the increasing industrial development of the Southeast. During the first half of 1962 there were 93 new industries located on Coast Line rails, with 21 plant expansions. Certainly, this means added rail freight business for Coast Line, as well as a more buoyant economy generally for the southeastern region.

While passenger business accounts for only about 10% of Coast Line's total gross revenues, travel over Coast Line has been booming since the beginning of the second quarter this year. This generally reflects a trend which began last fall, and we expect the passenger business to continue at an accelerated pace during the remainder of the year.

Coast Line's management has complete faith and confidence in the future of the six southeastern states which we serve. An added investment of \$18 million this year in buying 1,450 new units of the most modern freight equipment (much of it for transporting specialized commodities) is one demonstration of backing up that confidence with dollars.

Certainly, the Atlantic Coast Line is making a vital contribution to the growth and development of the region it serves. The potential of the Southeast is practically unlimited, and we look toward the future with boundless enthusiasm and high hopes.



Farfield Foundation Names Stralem

Farfield Foundation, Inc. has announced the election of Donald S. Stralem as President and Charles Fleischmann as a member of the board of directors. Farfield Foundation is a philanthropic organization devoted to international cultural understanding.

Mr. Stralem, partner in the investment banking firm of Hallgarten & Co., has been a director of the Farfield Foundation since 1952. He is also a director of Columbia Pictures Corporation, Screen Gems Corporation, and Independent Telephone Corpora-

tion; President of National Travelers Aid Association and the Shelter Rock Foundation, Inc.; and Chairman of the George Junior Republic Association. Mr. Stralem succeeds Julius Fleischmann, founder of the foundation, upon his retirement.

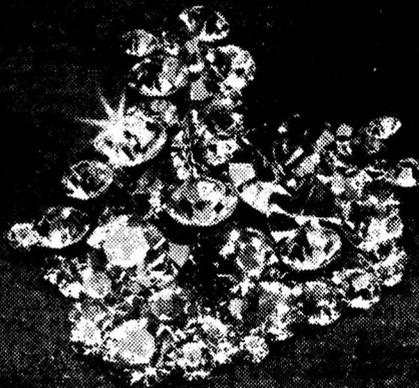
Calif: Investors Add

PASADENA, Calif.—Oliver E. Floyd, Jr. has been added to the staff of California Investors, 690 East Green Street.

With Evans MacCormack

(Special to THE FINANCIAL CHRONICLE)
SAN DIEGO, Cal.—John C. Smith has become associated with Evans MacCormack & Co., 2504 Fifth Avenue. He was formerly with Norman C. Roberts Company and Francis I. du Pont & Co.

LIKE DIAMONDS, PLANT SITES OFTEN SEEM ALIKE . . .



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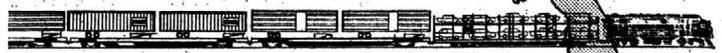
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MUTUAL FUNDS

BY JOSEPH C. POTTER

Hope Springs Eternal

Oils, tobaccos, steels, motors and a dozen other groups have known both favor and unpopularity in our generation. But if there is one segment of the stock list that has been consistent for its unpopularity it is the railroads.

Scores of investment leaders and analysts have suffered grief and frustration in recommending the carriers. But even in the palmiest years of the late lamented bull market, the railroads just couldn't seem to get out of their own way. If they couldn't highball when the broad list of stocks was rolling ahead, people nowadays must wonder, if they ever think about the rails at all, whether they can stay on the tracks in these trying times.

D. Moreau Barringer, Chairman of Delaware Management, must be one of those courageous souls who walk alone in a community where the herd instinct is strong. This investment advisor to Delaware Fund tells us that it has bought the common stock of Atchison, Topeka & Santa Fe. This is the second completed railroad position reported by the fund's advisor in recent weeks. The other was Kansas City Southern.

"The accumulated unpopularity of railroad stocks, which has kept them lagging behind industrial stocks for three decades," says he, "has reached a point at which some reasonable price-earnings ratios and attractive yields have appeared even among the most progressive and best-managed roads."

And, indeed, these two are among the more progressive and better-managed roads. In fact, it would surprise many folks in the investment community, who have ignored the carriers these many years, to know that, by and large, they have made considerable strides in modernizing plant, although rolling stock is in deplorable state in the Eastern part of the country.

Right now, the rails are seeking the long-overdue showdown with the operating brotherhoods on the issue of featherbedding. At stake here is hundreds of millions of dollars annually, paid out to vested interests under archaic work rules that make no economic sense.

Mr. Barringer says "the pendulum of public opinion may be swinging toward increased acceptance of railroad securities. . . ." He may yet be right, but the place to watch for the green light is Washington. For it is the Govern-

ment which has hobbled the rails in their efforts to compete with others forms of transport and it is the Government which has built the highways, airports and airports, and maintained the waterways to give a competitive advantage to trucks, airlines and barge lines.

Mr. Barringer, arguing for at least a temporary improvement in the operating condition of the rails, says there are signs that the Government attitude is likely to be "less repressive." Says he:

"The Interstate Commerce Commission has deprecated the necessity of further long study before passing on currently proposed mergers. The President's Committee on Transportation has gone on record (against the opposition of union labor) opposing the spread or continuance of featherbedding. Perhaps the most important contribution to the cause of railroads in competition with other transportation agencies, piggybacking has spread to a large number of railroads, and is bringing an increasingly profitable volume of traffic back from the trucks."

Anyone who has seen the new-look rolling stock—low-slung cars that can cope with the shallow clearance on Eastern tracks, cars that have 50-foot-wide openings by resort to overhead garage-type doors, cars that haul as many as 15 automobiles in tiers, container cars—turned out by such companies as Pullman-Standard, must know that the means of enabling the carriers to reach out and attract large amounts of freight are at hand.

Whether, as investors, we like the railroads or not, the fact remains that this country needs them. They continue to be, far and away, the most economical means of moving goods. The only question is whether they will survive as private enterprise or come under Government ownership.

The Funds Report

Financial Industrial Income Fund, Inc. reports that at June 30, end of the fiscal year, total net assets were \$2,631,573, or \$8.25 per share. This compares with assets of \$1,611,734 and \$9.44 a share at June 30, 1961.

Imperial Fund announces that at June 30 net assets were \$5,693,989, or \$6.85 per share, against \$10,052,028 and \$11.08 per share at the end of the second quarter of 1961. Shares outstanding declined to 830,732 at the end of the second quarter of 1962 from 907,524 a year earlier.

Incorporated Investors reports that net asset value per share on June 30 was \$6.01, compared with \$8.13 on Mar. 31. Total net assets were off to \$234,226,223 from \$319,870,714.

Shareholders of Investors Group, Canadian Fund Ltd., at a special meeting called for Aug. 17 will act on proposal to change the name to **Investors Inter-Continental Fund Ltd.** and to broaden investment policy "so that investments may be made throughout the Free World." Shares of the fund had a net asset value of \$5.11 in U. S. dollars on June 30, compared with \$6.40 on Dec. 31, 1961. Total net assets amounted to \$70,088,587 (Canadian) on June 30.

Loomis-Sayles Canadian & International Fund Ltd. had net asset value per share of \$26.05 (U. S.)

on June 30, down from the \$32.03 shown a year earlier.

A 29.6% rise in sales from last year's record first-half total is reported by the **B. C. Morton Organization**. Combined volume of the company's 83 financial planning centers in 42 states and overseas came to \$74,389,855 in the six months to June 30, compared with \$57,386,955 in the like 1961 period.

Rowe Price New Horizon Fund, Inc. reports that at June 30 total net assets amounted to \$6,095,018, equal to \$8.07 per share. This compares with assets of \$5,409,818 and \$12.24 a share at June 30, 1961. At the end of 1961 asset value behind each share was \$12.76.

Winfield Growth Industries Fund, Inc. reports that at the end of the fiscal year on June 30 net assets were \$7,297,056, equal to \$5.73 per share. This compares with assets of \$5,370,086 and \$7.76 per share a year earlier.

First General Real Estate Tr. Shares Offered

King Merritt & Co., Inc., New York City, has announced the offering of 1,000,000 shares of beneficial interest of First General Real Estate Trust, at \$10 per share. The offering marks the initial public sale of the company's shares.

Net proceeds from the financing will be used by the Trust to carry out a program of acquisitions, concentrating on investments in income producing real estate in the United States or its territories. It is expected that the holdings will consist of properties of all types including office buildings, apartment houses, hotels, industrial buildings and shopping centers. The company also intends to invest in FHA insured and VA guaranteed mortgages on residential properties and in conventional first mortgages on residential, commercial and industrial properties.

Headquartered at 111 Broadway, New York City, the company intends to operate as a real estate investment trust as defined in section 856 of the Internal Revenue Code and also intends to qualify for the conduit tax treatment afforded real estate investment trusts by section 857-858 of the code. The effect of such treatment is that a real estate investment trust which distributes at least 90% of its ordinary taxable income is not taxed on the distributed income. Such a trust is also not taxed on distributed capital gains.

On completion of current financing, outstanding capitalization of the Trust will consist solely of 1,000,000 shares of beneficial interest.

Thomas H. Quinn, President of Inter-County Title Guaranty & Mortgage Co., since 1939, is President and Chairman of the Board of Trustees. Other Trustees are John W. Finger, Vice-President of Inter-County Title Guaranty & Mortgage Co., and H. L. Jamieson, President of King Merritt & Co.

Joins A. C. Allyn

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Edward J. Morganto has joined the staff of A. C. Allyn & Co., 30 Federal St. He was formerly with Jennings, Mandel & Longstreth.

Now With Blair & Co.

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—John K. Torosian is now associated with Blair & Co. Incorporated, 10 Post Office Square. He was formerly with Shearson, Hammill & Co. and Goodbody & Co.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Florida Gas Company

Houston Corporation was recently renamed "Florida Gas Company". With some \$230 million in assets and about 27,000 stockholders, it is an important pipeline system transporting natural gas from lower Texas and the Louisiana Gulf Coast to markets in Florida. It has a daily capacity of 375 million cf, and more than 3,000 miles of pipeline network. The company supplies nearly all Florida including the cities of Miami, Jacksonville, Orlando, Lakeland, Eustis, Daytona Beach, Umatilla and Mt. Dora. LP-gas is distributed in rural and other areas not served by gas distribution systems.

Florida was one of the last substantial areas to be supplied with natural gas, replacing manufactured gas or propane. Houston Corp. was incorporated in March, 1957, and first delivered natural gas on a full scale basis in June 1959. The pipeline, which begins near the Gulf Coast at a point near the Mexican border, follows the coastline to northern Florida and traverses Florida to a terminus south of Miami. It has encountered two major hurricanes without any interruption in service, which is a major selling point in Florida where electric service is subject to storm hazards.

Thus far the company's business is about 85% industrial, though it is gradually building up retail sales. It transports a firm 100 million cf per day to Florida Power & Light and 50 million cf a day to Florida Power Corp. for boiler fuel, with payment on a transit fee basis. Industrial sales on an interruptible basis are also very large. Thus, 1961 revenues were about 57% industrial, 27% transit and 16% direct retail sales.

The company has recently completed its first important pipeline expansion at an expenditure of \$23 million, increasing capacity 35% through additional compressor capacity, supply and sales collaterals, etc. The mainline can develop another 75 million cf capacity (about 20%) by adding more compressor horsepower; further expansion would require looping of the mainline. Initial plans for further expansion are being developed and may be filed with regulatory authorities during the first half of 1963.

The company buys all its gas, and total proven reserves dedicated to the company aggregate some 2½ trillion cf, considered adequate (at current delivery rates) for over 15 years. In addition, there are large supplies of proven gas available which can be purchased at very reasonable prices; prices this year will average about 17 cents per mcf.

A variety of small industries in Florida now use gas, including the citrus concentrate plants, pulp, phosphate, tile and gypsum industries and such petrochemical operations as liquid hydrogen, anhydrous ammonia and magnesium oxide plants. Of course competition with residual fuel oil is very keen and oil is now lower in price than it has been in several years. Currently the company is discussing direct sales to two large proposed petrochemical plants, a building products plant and a container plant.

In the retail field, while the company has to compete with electricity, LP-gas and fuel oil, it is gradually taking over the manufactured gas business. Thus Daytona Beach was converted to natural gas April 16 and revenues are increasing 23% over last year, with large sales of new gas air-

conditioning. Construction of 150 all-gas homes is anticipated within a year and a 150-home Federal Housing Project will also utilize gas. The largest gas turbine installation in the country is in Florida at the Orlando Utilities Lake Highlands Plant, and recently Florida's first motel and restaurant gas-fueled generation unit was placed in operation.

The company is optimistic regarding an increase in gas air-conditioning sales, and operating and maintenance costs as well as initial cost are said to be on a competitive basis for units of 100 tons or over, with costs for smaller units being gradually reduced. The company recently placed in effect a special year-round air-conditioning discount for firm gas sold to distribution company customers. Nearly all of the distribution companies have, in turn, developed new air-conditioning rates passing on to their consumers the special discount from the pipeline.

The company's liquid hydrocarbons extraction plant is expected to go into operation in October, providing a major source of LPG for Florida. Production will equal about one-quarter of the total amount consumed in the state. A large refrigerated storage facility will permit storage of propane and butane, to be marketed in the winter when the demand is larger. Production has been contracted on a long term sales basis to Warren Petroleum Company.

Florida Gas completed its first important financing since 1958 last December, \$33 million of new money being raised through sale of about 760,000 common shares, private placement of \$15 million pipeline bonds, \$6 million long-term notes of Hydrocarbon and \$4 million bank loans. No financing is indicated for this year; on the contrary, some \$11 million debt will probably be retired.

Florida Gas' revenues this year are estimated at \$41 million, up about \$6 million over last year. President Bowen in a recent talk before the New York Society of Security Analysts stated: (Over the last three years we have seen our net income increase from minus \$4,200,000 in 1960 to plus \$200,000 in 1961, and now this year to an estimated \$1,750,000. We predict continued improvement in 1963, particularly with a full year at the expanded pipeline throughput and the hydrocarbons plant coming onstream.")

The company remained in the red during 1958-60, but eked out 4 cents a share on the combined common and Class A stock in 1961. With the help of a large tax loss carry-forward, earnings are estimated at around 33 cents this year (16 cents if Federal income tax were applied though no tax seems likely before 1964 or 1965). No dividend payments appear likely for several years. The stock is currently selling around 12 over-counter, the range for 1958-62 approximating 24-9.

H. O. Peet Co.

To Admit Two

KANSAS CITY, Mo.—H. O. Peet & Co., 23 West Tenth Street, members of the New York and Midwest Stock Exchanges, on Sept. 4 will admit Peter C. Barnes and Graham T. Hunt to partnership. Mr. Hunt is the firm's general sales manager.

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SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

This is the second in a series describing a specific type of investor. The first article, published in the August 9 issue, dealt with "Young People Starting Out in Life."

II

Retired Investors

These people have completed their span of creative accumulative activity. Their motivation concerning investments is primarily one of self-preservation. They find the outlet for their energies in areas not particularly concerned with "acquisitiveness." Most of them wish to enjoy the fruits of their labors. They also have fears, such as having insufficient income for the later years, and dissipation of their invested capital. Often, they represent married couples who share a common concern for the other's welfare. Assisting them in planning their wills, and preserving their estates, offer many opportunities to the well informed security salesman.

Most retired investors have small pensions, rental incomes, social security, and stocks and bonds as well as savings accounts. Although many small accounts can be worthwhile, the best prospects are those who have accumulated at least \$50,000 in liquid assets, and upward to around \$500,000. The larger accounts are often closely supervised by a bank, or they are already being serviced by a friend of many years standing, and the connection is often difficult to sever. There are opportunities when larger accounts can sometimes be obtained. A trusted advisor may discontinue his business through illness or death; occasionally disagreements arise, and there have been instances of dissatisfaction that do occur. But the people who will provide the security salesman with the best possibility of obtaining profitable business will most likely be in the middle income group who are not the more sophisticated type of investor. These are the individuals who also have "fears," whether they are latent or openly expressed. One of the most effective and certain methods of obtaining their confidence is to allay these fears.

How to Gain the Confidence of Retired Investors

One of the first requisites of successful salesmanship is to have a thorough knowledge of your product. This is most essential when dealing with retired people. These are experienced individuals who have had a lifetime of evaluating other people. They are quick to detect anyone who is a "poseur." They will immediately become skeptical if they discover that a salesman is talking "over his head," discussing vague generalities, and who tries to impress them with his great skill as an investment advisor without having the knowledge that is required to guide them through the years that lie ahead. If you know your business, then they will sense it. If you don't, you will soon recognize the need for a serious study of current events, issues, economics, markets and securities. In addition, time must also be expended each week in a review of changes in government policies, and public psychology as evidenced by the volatile security markets.

Any man who doesn't pay the price of work in this business won't acquire many retired investors as clients. You must control their accounts, supervise their investments, and produce results for them. This also applies to all other investors and their accounts with you.

Next in importance is never rush retired investors. See them

by appointment. Find out what they own—what they want from life—what is their main interest in investing. Let your first interview be exploratory. Here are some questions that you might ask them. Are they interested in stable securities with excellent dividend records? (The answer will be yes.) Do they have any financial obligations to dependents, other than themselves? If so, what are they? What is their income from pensions, from social security, rental income? Do they own their home? How much life insurance do they own? (Possibly they have paid up policies that are producing only a meager income. These policies may be producing only two to three percent based upon interest rates established years ago.) Sometimes this provides an opportunity to analyze their policies and give them valuable advice leading to reinvestments in sound securities that pay them more income. What is their tax bracket? What securities do they own?

Confidence is always developed by evidencing a sincere interest in the welfare of the prospect. Sit around a table with these people. You will find ready talkers if you will ask pertinent questions and record their answers on a suitable form, or a sheet of paper. Make an analysis of the entire situation. Don't try to open the account too soon. Often this is a two or three step sale. Make an analysis of the entire estate. Call back by appointment and place your suggestions before them. Discover an item upon which you will have their agreement. Sometimes they are minor ones. You may be able to obtain their consent to make a major change in their investments on the second, or third, interview.

Sometimes it is better to start with a small step. Your first order may only indicate that they have given you their confidence to a limited extent. When this happens, in effect they are saying, "You appear to know what you are doing. You impress us with your sincerity of purpose, but we have also lived a bit ourselves. This is an opportunity for you to demonstrate that you can help us. We will let your actions determine our future relationship—and also your investment ability. Now it is up to you to prove yourself."

Other Services

A book could be written on the subject of selling securities to retired people. There is the matter of their will, the laws which govern inheritances in the individual states, the difficulties when death occurs and beneficiaries are not properly protected; these are serious matters of prime importance. Regarding paid-up life insurance policies, I know of one retired couple who had \$80,000 in such an investment and they were receiving a return of only 2 1/2% until a knowledgeable investment man came along and helped them improve their income without adding to their risk, or decreasing their estate. I have even known of investment men who have studied life insurance, and passed their state examinations because they wanted to increase their knowledge as a well rounded investment advisor.

There are possibilities for helping retired people by creating living trusts, reversionary trusts, and testamentary trusts. There are those who should sell their accumulated speculative securities and reduce their risk through better

reinvestments for their purposes. Mutual funds should be included in a security salesman's thinking and certainly this investment has a top place in the portfolios of retired individuals. The flexibility of this investment medium, plus the wide diversification and constant supervision of portfolio securities offers the protection that is essential to retired investors.

Retired people are motivated primarily by "Self-Preservation," for themselves, and their loved ones. Help them to achieve this and you will gain their friendship, respect, and also many referrals to others with the same problems.

Shelton Securities Formed in NYC

Shelton Securities Corporation has been formed with offices at 663 Fifth Avenue, New York City, to engage in a securities business. Officers are Richard E. Richter, President, and Melvin Katz, Secretary. Mr. Richter was formerly a partner in Richter & Co. and prior thereto with Goldman, Sachs & Co. and Hirsch & Co.

New Pressprich Branch

PORTLAND, Ore.—R. W. Pressprich & Co. has opened a branch office at 812 Southwest Washington St., under the management of Emdon Fritz Slade.

NAIC Schedules 12th Convention

The National Association of Investment Clubs will hold its 12th Annual Convention in Philadelphia at the Sheraton Hotel, Oct. 19 and 20.

A series of workshops will be held Oct. 19 covering such topics as "Using the Stock Selection Guide," "Stock Comparison Guide," and Club Accounting.

A. Moyer Kulp, Sr., Vice-President of Wellington Fund, will address the group on "Growth Stocks of a Cyclical Nature."

Friday afternoon workshops will be devoted to "Portfolio Management," "Our Favorite Stocks," and "How to Organize an Investment Club." Following the workshops, E. H. Smith, Vice-President and Controller of Chas. Pfizer & Co., Inc., will speak on "The Pfizer Story."

The evening session will begin with a welcome from the Hon. Richardson Dilworth, acting Mayor of Philadelphia. George A. Nichols, Jr., Watling, Lerchen & Co., Detroit, Chairman of the NAIC Board of Advisors, will deliver the convention's keynote address. Final speakers Friday evening will be Ernest Henderson, President of the Sheraton Corp., and Dan A. Kimball, President of Aerojet-General Corp., who will discuss "The Management Team."

Saturday morning workshops

will be "Reconnaissance Techniques for Finding Stocks," "Tax and Legal Problems of Investment Clubs," and "Club Growing Pains." Robert D. Hedberg, Bishop & Hedberg, Inc., will speak on "New Trends in Security Analysis."

Anthony M. Tabell, Vice-President of Walston & Co., Inc., New York, will be a speaker at the group's luncheon; his address will be on the "Stock Market in the Mid-Sixties."

Pershing & Co. To Admit Partner

Pershing & Co., 120 Broadway, New York City, members of the New York Stock Exchange, on Sept. 1 will admit Carl W. Timponson Jr. to partnership.

With Saunders, Stiver

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — Donald J. Cruca is now with Saunders, Stiver & Co., 1 Terminal Tower, members of the Midwest Stock Exchange. He was previously with Ball, Burge & Kraus.

Joins Walston Staff

(Special to THE FINANCIAL CHRONICLE)

SAN DIEGO, Calif. — Joseph D. Ryan has joined the Staff of Walston & Co., Inc., 230 A Street. He was formerly San Diego manager for J. Barth & Co.

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By JOHN DUTTON

(In Your Business)

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As We See It

Continued from page 1

which now renders such a course very difficult if not impossible in so many instances is to be deeply regretted.

Among the numerous peoples who have won their "freedom"—or been handed it on a silver platter—in more recent times there are very few, if any, where deep and grievous schisms have not appeared among the liberated peoples, where native dictators have not been able to establish themselves and to proceed without noticeable concern about the real welfare of the people, often without any acceptable idea as to what that welfare is, and certainly without the least concern about any sort of government of the people, by the people and for the people. It ought to be clear to the way-faring man by this time that hasty "liberation" of these people often presents more problems than it cures.

Another fallacy which by now should be evident to all is the notion that these backward peoples, whether recently released from some sort of foreign control or exploitation or not, have little conception of, or interest in what we know as democracy and individual liberty. Many of them are definitely primitive peoples without knowledge of what is going on or has gone on in the outside world. The only freedom that interests them is freedom from abject want and possibly from the sort of labor that would be required to bring their country and their economy into keeping with what we know as civilization.

Withdrawal of the foreign capitalist exploiter—if he is an exploiter—more often than not leaves the native not better but worse off. This seems to be about as true when the capitalist, but not the capital, is withdrawn as to when both are taken away. Thus the natives find it about as difficult to make a go of their economic activities in Katanga as does the Cuban who is suddenly cut off from earnings from the foreign (or possibly the native) land owner and left dependent upon what he can get from a small plot of land that he now has become owner of. Thus withdrawal of foreign capital, whether or not an habitual exploiter, leave problems quite as serious as the premature withdrawal of colonial masters.

Gifts No Solution

Again, it has proved untrue that these problems can be overcome by capital grants from friendly governments or venturesome foreign capitalists who do not insist upon restrictions and controls which appear to the natives

to be about as objectionable as the "imperialist" capitalist he has dismissed. Loans to recently formed governments all too often are used to feather the nests of nationals who happen to be in power. Even when that does not happen the skill and judgment necessary to successful employment of funds supplied in the industry, trade and agriculture of the area are quite lacking—as is often also the will to make the sacrifices and undergo the labor that is required to obtain the good things of life. Thus technical assistance, even when offered in adequate amounts and of the best quality, is often quite unavailing in the absence of some sort of control or outside direction of the peoples in question.

The degree in which the communist countries, notably the Soviet Union, have undertaken to fish in the troubled water everywhere, and, for that matter to set up trained subversives in most of the backward lands of the earth, strongly suggests that some of the ancient myths of this sort have found lodging in their minds, too. They, of course, find it easy enough to get a hearing when they berate colonialism and foreign imperialists and the like, but when it comes to the development of more satisfactory economic conditions in these backward regions, the story changes altogether. They, too, find local conditions and local peoples far from satisfactory for the development of industry no matter whether by and for communists or any one else. Of course, sooner or later their machinations must produce something that the imperialists have not produced and which is appealing to the natives or they, too, will find themselves without much gain from all their labors. At this distance, it is not easy to know whether belated realization of some of these truths is having any effect upon communist strategy or not, but it is probable that they are looking at these matters with more realistic eyes.

International Cooperation?

Another disillusionment that must have come to a good many idealists is that suggested by the inability of the United Nations to accomplish half what they had expected of it. The notion that various nations can be persuaded to forego their own national ambitions and endanger their own interests—or what they regard as such—*pro bono publico* is one that has long been harbored by certain idealists. Franklin Roosevelt, like Woodrow Wilson before him, was strongly of the view that the world, weary as it was after bloody

universal war, would be willing to sit down and work out ways and means jointly to avoid war in the future—and, of course, to help prevent the rise of conditions which tend to promote war. The League of Nations fizzled, of course, but hope springs eternal in the human breast. We leave to others better qualified to judge to say whether on the whole the United Nations has done a great deal better. What we are sure of is that it has not provided and will not provide answers for many of the more burning problems of the day—just the sort of problems its architects hoped and expected that it would solve.

In just what direction our salvation lies in all these matters we do not profess to know, but we are certain in our own minds that the time has come for fresh thinking.

G. L. Farnsworth Appointed by Chemical Bank

George L. Farnsworth, Executive Vice-President, has been appointed to head Chemical Bank New York Trust Co.'s International Division, it was announced by Chairman Harold H. Helm. Mr. Farnsworth succeeds Executive Vice-President Clinton C. Johnson who will continue to be identified with the Division until December 31, when he will retire under the bank's mandatory retirement plan at age 65. Mr. Farnsworth joined Chemical New York on Oct. 29, 1934; he became Assistant Secretary in 1943, Assistant Vice-President in 1947, Vice-President in 1950 and executive Vice-President in 1960. He was designated head of the bank's National Division in that year and continued to supervise its activities until Sept. 6, 1961, when he transferred to the International Division.



Geo. L. Farnsworth

J. B. Buttrick With Winslow, Cohe & Stetson

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — John B. Buttrick has become associated with Winslow, Cohe & Stetson, Inc., 79 Milk Street. Mr. Buttrick who has been in the investment business for many years has recently been with R. W. Pressprich & Co. In the past he was a partner in Williams & Southgate.

V. E. De Curtis Opens

BRONX, N. Y. — Victor E. De Curtis is conducting a securities business from offices at 1060 Allerton Avenue.

With Irving J. Rice

(Special to THE FINANCIAL CHRONICLE)

ST. PAUL, Minn. — William C. Smalley has become associated with Irving J. Rice & Company Incorporated, Pioneer Building. Mr. Smalley was formerly in the investment business in New York City, where he was associated with Walston & Co., Oscar Gruss & Son, and L. D. Sherman & Co.

Fast Legislative Relief Can Prevent Rail Bankruptcies

Continued from page 3

England; Great Lakes and Central Eastern Regions—reported income available for fixed charges before Federal Income Taxes of:

Year	Income Available
1955	\$490 millions
1956	470 millions
1957	357 millions
1958	236 millions
1959	232 millions
1960	164 millions
1961	90 millions, preliminarily

I

Fixed charges for the Eastern District trended downwards gradually from \$175.5 millions for 1955 to \$166.7 millions for 1961.

II

The Result

Coverage of fixed charges of 2.79 times for 1955 (before Federal income taxes in all cases); 2.68 times for 1956; 2.02 times for 1957; 1.34 times for 1958; 1.35 times for 1959; 0.97 times for 1960; and, preliminarily, 0.54 times for 1961.

Let me pose a simple question: How long do you suppose a group of companies—railroads—requiring \$166.7 millions for annual fixed charges, earning such requirements by a steadily dwindling margin from 1955 through 1959, by earning only 97% of such requirements in 1960 and an even alarmingly smaller coverage of only 54% for 1961—can survive, that is stay out of bankruptcy?

Let me pinpoint this observation even more finely:

The relationship of current assets (minus materials and supplies), to current liabilities (including debt due within one year), for the Eastern District railroads at the close of just each of the last three years reveals a rising trend of total dollar deficits that indicates—with the previously outlined inability of Eastern District carriers to report sufficient available earnings to fully cover fixed charge requirements—that many of the railroads in this district are close to the point of financial exhaustion.

As of the close of 1958, for the Eastern District railroads, the current liabilities including debt due within one year EXCEEDED current assets, less materials and supplies, by \$59 millions. As of the close of 1959, the excess was \$103 millions; as of the close of 1960, the excess widened to \$162 millions; and this excess as of the close of 1961 was swelled to \$223 millions!

Eastern District railroads and their financial standing are linked largely with the rate of heavy industrial output—steel, coal, iron ore, cement, paper—to mention just a few.

The recent trend of steel orders and production, plus the late course of building construction awards, also the reactionary trend of the stock market cannot help but result in the rise of questions as to the validity of any expectation of a continuance of a satisfactory curve to these areas of heavy industrial output as the year 1962 grows older. Hence, the resulting query as to whether there is in prospect any sound grounds for confidently predicting a reversal in this trend of Eastern District deficit showing, after accrual of fixed charges, and added drains on deficit finances?

As an added factor of concern about eventual bankruptcies in the east, allow me to touch on the grave implications of the recently awarded and agreed to, yet ill-conceived recommendations of Emergency Board #145 to the

non-operating employees of 10.2¢ per hour. This wage increase will cost Eastern District carriers \$38 millions annually and if only the same award should be granted other than non-operating employees, that amount would equal an added \$68 millions per year for just Eastern District roads.

Consider these amounts in terms of the Eastern District's deficit after fixed charges in 1961 or \$90 millions and the deficit for the first quarter of 1962 of \$15 millions!

Do you hear the death knell being sounded—as I am predicting—UNLESS LEGISLATIVE RELIEF COMES, AND COMES FAST?

The year 1962 is the sixth year of poor earnings' results for Eastern District roads, by way of which deferred maintenance surely must have been built up. All railroads have affected economies through sharp reductions in work forces, and it is my belief that the barrel has been scraped pretty clean in the case of the Eastern District, so that further laying off of employees in order to partially make up this added burden, not only will be difficult but probably will have to be arbitrary, and largely at the expense of more deferred maintenance. The alternative is increasing freight rates very substantially but this would be self-defeating.

But, one further observation, before I outline steps which if executed, could change about this picture—and speedily, too!

If representatives of other geographically located railroads, where presently the roads do not suffer from deficit operations and deficit finances, do not lend their support, and vigorously so, to take steps to change the financial direction of the Eastern District railroads, and bankruptcies among these Eastern railroads follow, then—believe me—their properties too will not long stand up credit-wise or securities-wise.

It is my considered opinion that another wave of railroad bankruptcies, as was experienced in the early thirties, cannot result in other than Government ownership and operation. Why? Because bond and stock capitalizations were thoroughly wrung out then; and any further substantial reductions in capitalizations not only appear unfeasible, but any additional cuts in securities outstanding would provide absolutely no solution to the problems besetting the railroads presently.

Furthermore, curtailed service to the public by bankrupt connecting lines cannot fail to be reflected in the method of operations of other carriers and affect their shippers and their freight traffic volume!

Now, what to do? To my thinking, the number one point of attack is to get legislation from Congress mandating the ICC—to accentuate—making it a "must" for the ICC to change its freight rate-making policies to that of ceasing to compel the railroads to maintain rates at levels which provide an umbrella of protection over other modes of transportation.

In other words, legislation which will order the ICC to permit rate-making by the railroads which, in addition to benefitting the shippers, farmers and consumers, will be compensatory to the rails.

Also required in adjusted rate-making policy, is the removal of minimum rates and allowance of volume or incentive rates. In this category, the extension to railroads of removal of agricultural and bulk commodity exemptions enjoyed by motor and water carriers should be accomplished.

From any point of view, the investment community has a large stake in the early passage of the common carrier minimum rates

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

bills—S. 3243 and H.R. 11583—now being considered by the two houses of Congress. These identically worded bills would give all common carriers the freedom to set minimum rates on bulk commodities and agricultural products. Barge lines already have freedom in regard to bulk commodities and motor carriers have it in the case of agricultural products.

Excessive and unequal regulation has placed the railroad industry in critical condition and threatens the equities of shareholders whose savings are invested in railways. It is having a blighting effect on other common carriers, and should be causing much concern to hundreds of thousands more with a financial interest in these carriers. It is costing the public hundreds of millions of dollars a year in higher-than-necessary transportation costs. That should be enough to raise everybody's blood pressure.

Fortunately, we have the remedy at hand if Congress will act. Real competition, subject to control of maximum rates and the usual antitrust controls, will give common-carrier management not only the freedom to reduce rates and win back a large volume of traffic that has been lost to private carriage but the challenge to lower costs and improve service to the public.

Reductions in transportation costs will give business and industry a lift that most investors would agree is very much needed at this time. The previous statement is SO mild! Consider this—transportation costs in this country are 20% of GNP—or in excess of \$100 billions annually. Genuine competition should be restored in the transportation industry to bring these reductions about.

Such freedom to make selective rate adjustments couldn't help but create a revolution; quickly so, in a shift of freight traffic to the railroads.

Just to add weight to the preceding expression of belief, and to provide some figures to work with, let me furnish a few more illustrations:

(1) Between 1945 and 1960—a 15-year period—revenue, ton-miles of the Class I railroads declined 15.1%—or 103 billions;

(2) In the same 15-year interim total highway ton-miles (estimated) jumped by 338%—or 223 billions!

What do you suppose was the "make-up" of such highway ton-mile data?

Well, ton-miles accounted for by the regulated motor carriers increased 259%, or 70 billions—BUT private and exempt motor carriers outshone such stupendous rise, jumping 156 billion ton-miles and by the fantastic percentage of 391%!

Yet, another observation: in 1945 private and exempt motor carrier ton-miles were 13 billions more than for the regulated motor carriers—while for 1960 this outstripping of the regulated carriers swelled by an unbelievable margin of 100 billion ton-miles!

Some other contrasts present an amazing showing:

As of Nov. 2, 1959, the number of ICC-regulated motor carriers totalled 18,788, while the number of private carriers was estimated at 76,000 and the exempt carriers estimated at 37,000—a ratio of an estimated 113,000 private and exempt motor carriers to 19,000 regulated—a relationship of six private and exempt carriers to each single regulated carrier!

As of the same date, the regulated carriers operated a total of 837,000 vehicles, while the total for the private and exempt carriers was estimated at 877,000 units. Six times the number of private and exempt carriers operating practically the same number of vehicles as are the regulated carriers!

Here is a perfect example of

fragmentation—and what is probably the main reason?

The regulated, private and exempt motor carriers do not have a capital investment in any rights of way such as have been laid down by the railroads; neither do the truck operators need to face annual maintenance costs of rights of way; nor do the trucking companies pay taxes to cities, counties, etc., for their rights of way. True, the trucking industry does pay license fees, gasoline, diesel fuel, oil and tire taxes.

But the big difference between the regulated common motor carriers and the private carriers, is that the common carrier must needs operate at a profit—whereas the private carrier need only operate at a "break-even" point. Sadly enough many private carriers obtain this "break-even" point by engaging illegally in "for-hire" operations wherein the policy is followed of operating a return trip at a price which really provides no more than return-trip-fuel-costs. This vicious method of competition by many of the private carriers absolutely and positively should be stamped out.

Now do you see why the fragmentation? Do you also see the reason for the widening of the gap of difference in quantity of motor carrier traffic handled between the two modes in 15 years—of from 13 billion ton-miles to 100 billions?

Do you, finally, see what could happen to this unfair portion of truck competition, if the railroad industry is given the green light to make rate adjustments, so long as they are compensatory?

Lastly, another desperately required aid to the railroads is tax adjustments. It should be realized that part of the taxes paid by the railroads to municipalities and counties goes toward the construction and maintenance of highways, which facilities are used free of equivalent tax payments by the trucks—they regulated or private and exempt! The same comment obtains for the barge lines.

How many realize that in the field of assessments, railroad properties are notoriously assessed at higher values than are other industrial properties?

What I suggest in the form of tax relief to the railroads is quite novel.

I suggest that the national government take up part of the railroads' tax burden to the municipalities, counties and states so as to more equalize the railroads' tax status, not only in contrast with that enjoyed by the trucks and barge lines, but also the many tax freedoms enjoyed so notoriously by the airlines.

In connection with the latter reference to the airlines, the Port of New York Authority operates, among other projects, the Newark, LaGuardia and Idlewild Airports—investment in which through the close of 1961 has been stated as \$39,600,000 at Newark, \$42,600,000 at LaGuardia and \$311,000,000 at Idlewild—a staggering total through 1961 of \$393,000,000 and on WHICH EXCEPT FOR A SMALL AMOUNT, NO SUBSTANTIAL PROPERTY TAX REVENUE ACCRUES TO ANY MUNICIPALITY, COUNTY OR STATE containing or bordering these facilities.

The Washington National Airport (built by the U. S. Government) represented as of June 30, 1960, a capital investment of \$33,222,000 and the new Dulles International Airport at Chantilly, Va. (outside of Washington, D. C.) was programmed at a cost of \$85,000,000 but is expected ultimately to reach a cost of in the neighborhood of \$300,000,000 upon completion! No taxes in the form paid by the railroads to municipalities, counties or states, are paid by these projects, hence the airlines shoulder no part of such tax contributions in their operating costs.

If too much objection is raised

over my suggestion to have the national government pick up part of the tax "tab" paid by the railroads, so as to more fairly make them competitive with the truck, barge and airline carriers—primarily on the basis that the naughty word "subsidy" will become the issue—then what's wrong with taking railroad transportation property OFF OF THE TAX ROLLS—let us say, the RIGHTS OF WAY, YARDS, STATIONS AND TERMINALS?

Here is my summation: It is a story of obtaining legislative relief with the sought-after goal of low-cost transportation and its effect upon the ultimate cost of all consumer goods throughout the country, and the fact that anything that affects the cost of transportation eventually reaches the pocketbook of everyone in this country.

I plead with everyone to train their efforts on creating a stirred-up public DEMAND for changes and corrections beneficial to the railroad industry. Let's move mightily to change public apathy—shippers, railroad employees, investors in railroad securities; and the general public—to public understanding!

*An address by Mr. Reuss before the Baltimore Railroad Community Committee, Baltimore, Md., July 27, 1962.

Heads Div. in Hospital Drive

John L. Taylor, Senior Vice-President of The Chase Manhattan Bank, New York, has been appointed Chairman of the Business and Professional Division of the 1962 United Hospital Fund campaign.



John L. Taylor

His appointment was announced Aug. 13, by John H. Millikin, campaign general chairman, Mr. Millikin is Senior Vice-President of Bankers Trust Company. As Chairman of the Business and Professional Division, Mr. Taylor will lead more than 500 business and professional men in the solicitation of funds from executives and privately-owned firms to meet the Division quota. The overall campaign goal is \$3,000,000. The United Hospital Fund, America's oldest federated charity, opens its 83rd annual campaign Oct. 1st, and the money raised will be distributed among the 81-member voluntary hospitals according to the amount of free and below cost care they give their needy patients. During the past year, these hospitals cared for 1,598,500 such people.

Named Directors

Steven D. Fuller and Isador I. Tilton have been elected to the Board of Directors of Speedry Chemical Products, Inc. The Board voted to increase its members from seven to nine.

Mr. Fuller is head of S. D. Fuller & Co., New York City. Mr. Tilton has been Secretary and Office Manager of Speedry since 1956.

Now Norvell Inv. Co.

OKLAHOMA CITY, Okla.—The firm name of Norvell, Goudeau & Company, Midwest Building, has been changed to Norvell Investment Co.

Now Tricolor Securities

The firm name of Concool, Lowy & Co., Ltd., 37 Wall Street, New York City, has been changed to Tricolor Securities, Inc.

The upward revision in rates which has taken place in both the money and capital markets appears to reflect the uncertain conditions that are surrounding the economy as a whole. The big element of concern among most of those in the financial district is what will be the future trend of business. At this time it is pretty much touch and go on this question, with the answer not likely to be known before late summer or early fall. As far as the international balance of payments, the dollar and the gold holdings are concerned, it seems as though there is some decrease in this pressure, with the situation somewhat less acute than it has been in recent months. Governments, corporates and tax exempt bonds continue to attract certain investors as yields go up, but the bulk of the investable funds are still going short.

Less Monetary Ease?

Reports indicate that this current policy of the monetary authorities is still one of ease but with somewhat less ease than has been the case in the immediate past. Although conditions in the money and capital markets have tightened a bit, there is evidently no desire yet to put the brakes on heavily since the Federal Reserve System is still prepared to supply all the credit needed so that the banks can meet any borrowing that will develop in the future course of business. Like recent decreases in the free reserves of the Federal Reserve System, further cuts will most likely be made in a gradual up and down fashion. This may be the first signs that there is to be a modest firming in the money and capital markets.

In addition, it should be noted that yields of all fixed income bearing obligations have been going up for the last month or so and this might mean that some part of the moderate firming in money and credit conditions have already been taken into consideration if not discounted in some degree. It appears as though the monetary authorities are attempting to keep interest rates high enough so that funds will continue to remain here and that some pressure will be taken off the dollar and gold while at the same time credit will not be so tight that it will be a deterrent to the progress of the economy.

Tax Reduction and Budget Deficit

This brings up the question as to what monetary authorities will do in the event there should be a cut in the income tax payments that will be made by individuals and corporations during 1962. A tax cut this year has gone by the boards. A decrease in income tax payments to the government will increase the amount of the deficit of the Treasury so that a new and larger peacetime Treasury deficit might be in the making.

Will those who have short-term liquid investments here be willing to keep them in this country if we should be heading for a very heavy government budget deficit? Would a deficit caused by lower income taxes have a different effect on them than would a deficit brought about by enlarged government spending? Some money and capital market followers believe that a deficit caused by reduced income tax payments would be accepted by most of those who have funds in this country and, as long as interest rates are attractive, there would be no important loss of monies by this country. It is also indicated that more than one of the free world

countries, as well as certain international commissions; are in favor of the United States using a deficit in the budget as a means to get the economy back on the right track again.

There is no doubt but what the free world as a whole is being kept well posted on what the other methods are that we will use and what the prospects are that we will adopt budget deficit operations as a means to bring the business pattern back to where it should be. However, the answer as to what the future trend of the economy is going to be will determine not only the course of the money and capital markets but also what will happen to the dollar and our holdings of gold.

Attractive Short-Term Yields

Because there is still a very considerable amount of uncertainty in both the stock market and the bond market, it seems as though the main investment program of those who have funds to put to work is to stay short until the sky clears. In addition, the yield on near term issues is not to be sneezed at. And it could get better.

Now With Paine, Webber

LOS ANGELES, Calif.—Thomas V. Balch, Jr. is now with Paine, Webber, Jackson & Curtis, 626 South Spring Street. He was previously with E. F. Hutton & Co.

With Hanifen, Imhoff

DENVER, Colo.—Joseph M. Imhoff has become associated with Hanifen, Imhoff & Samford, Inc., 650 Seventeenth Street. Mr. Imhoff was formerly with McDonnell & Co., Inc. and Coughlin & Co.

Three With Draper, Sears

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Richard L. Dowling, William H. Newell and Richard F. Rudell have become associated with Draper, Sears & Co., 50 Congress Street, members of the New York and Boston Stock Exchanges. Mr. Dowling and Mr. Newell were formerly with Lee Higginson Corp. Mr. Rudell was with Jennings, Mandel & Longstreth.

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Shearson, Hammill Adds

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Richard P. Spencer has been added to the staff of Shearson, Hammill & Co., 340 Sutter Street. He was formerly with J. Barth & Co.

Coburn, Middlebrook Brch.

OLD SAYBROOK, Conn.—Coburn & Middlebrook Incorporated has opened a branch office at 611 Boston Post Road under the management of A. J. Middlebrook, Jr.

With Peters, Writer

(Special to THE FINANCIAL CHRONICLE)

COLORADO SPRINGS, Colo.—Daniel B. Buckley has become connected with Peters, Writer & Christensen, Inc., 24 East Kowa Street. He was formerly with Schmidt, Sharp, McCabe & Co. and Westamerica Securities.

Street Investors

Street Investors, Inc. has been formed with offices at 39 Broadway, New York City, to engage in a securities business. Colin Halpern is a principal of the firm.

Shearson Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Bruce C. Dunn has been added to the staff of Shearson, Hammill & Co., 3324 Wilshire Blvd. He was formerly with First California Co. and Hill Richards & Co.

With Yarnall, Biddle

PHILADELPHIA, Pa. — Yarnall, Biddle & Co., 2528 Walnut Street, members of the New York Stock Exchange and other leading exchanges, announce that John B. McClure is now associated with their Philadelphia office.

Pierce, Carrison Branch

GAINESVILLE, Fla. — Pierce, Carrison, Wulburn Corporation has opened a branch office at 33½ North Main Street under the management of Paul T. Nielsen, a Vice-President of the firm.

Now Corporation

FOREST HILLS, N. Y.—S. J. Lind, Inc., a corporation has been formed to continue the investment business of S. J. Lind, 10 Station Square.

Officers are Sandra J. Lind, President; Marvin T. Brown, Executive Vice-President; and Norman Rolnick, Comptroller.

10 N. Y. CITY BANK STOCKS

2nd Quarter Comparison & Analysis

Bulletin on Request

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BANK AND INSURANCE STOCKS This Week — Bank Stocks

BANCO POPULAR

The largest bank in Puerto Rico is the Banco Popular. Although there are only approximately 250,000 shares, recent interest in the stock of this banking institution has been fairly active. Aside from the earnings record of the bank, the long-range outlook for the bank is somewhat contingent upon the growth of Puerto Rico.

Puerto Rico enjoys Commonwealth status which is tantamount to territorial status. This entitles the residents to U. S. citizenship but at the same time allows the island to institute its own taxes. To induce industrial development a ten-year tax exemption is granted to Puerto Rican corporations. So far, this ten-year exemption has been extended and has proved a boost to the economic growth of the Commonwealth. Below are some of the statistical indices which point-up the growth in the island and its economy. Although the population has shown a large growth over the period, the rate of increase has slowed down over the past few years. Wealth, however, has been growing substantially as have bank deposits.

Fiscal Years Ended June 30—	1940	1950	1958	1959	1960	1961
Population (millions).....	1.869	2.211	2.284	2.307	2.350	2.401
Total bank deposits (incl. Governmental) (\$ millions).....	76.0	270.0	446.0	508.0	562.5	677.2
Total private bank deposits (\$ mils.).....	49.2	153.4	356.6	405.0	431.0	538.0
Total bank loans (\$ millions).....	33.1	127.6	331.2	387.3	450.1	492.2
Total motor vehicles.....	26,847	60,727	140,197	156,563	179,657	202,803
Enrollment in public day schools.....	286,113	408,128	564,443	569,199	573,440	577,045
Exports from the Island (\$ mils.).....	92.3	235.2	468.0	503.2	611.8	674.2
Tot. shipments of sugar & molasses (\$ millions).....	58.0	140.2	115.2	103.0	126.1	149.2
Net income of Puerto Rico (\$ mils.).....	225.3	613.6	1,135.3	1,241.3	1,362.1	1,464.7
Net income per capita (\$ millions).....	121.0	279.0	500.0	541.0	587.0	621.0
Est. value of building permits issued (\$ millions).....	7.8	35.5	88.5	135.5	131.9	138.1

The Banco Popular has full coverage of the island with 49 branches there. In addition, an office was opened in the Bronx, in New York City, within the past year. Not only is the Banco Popular the largest Puerto Rican bank in terms of locations but also, as indicated, in terms of deposits. June 30, 1962 deposits of \$176 million show an increase of 7.3% over the year-end 1961. This compares with deposits of \$140 million for the Banco Credito of Ponce. Certainly deposit growth over the 18-month period from December, 1960 to the present has been unusual at 33%.

Although annual earnings for the year ending June 30, 1962 are not reported, one may assume that earnings are on the increase over the year-end 1961. This performance is favorable relative to major commercial banks in the United States. As to the past five years, this institution has doubled earnings on a per share basis—a very favorable performance as compared to banks on the mainland. Based on the long-term outlook for Puerto Rico, which will reflect itself in the growth of the bank, the shares of the bank are attractive. Investors should be conscious of the relatively thin market in these shares at the present time and also the 20% Puerto Rican withholding tax on dividends. Currently the shares are selling below the 1962 high of 90.

Bid Price	Dividend	Yield	Est. 1962 Earn.	P/E
\$80	\$2.00	2.50%	\$7.15	11.3 x

Income Account

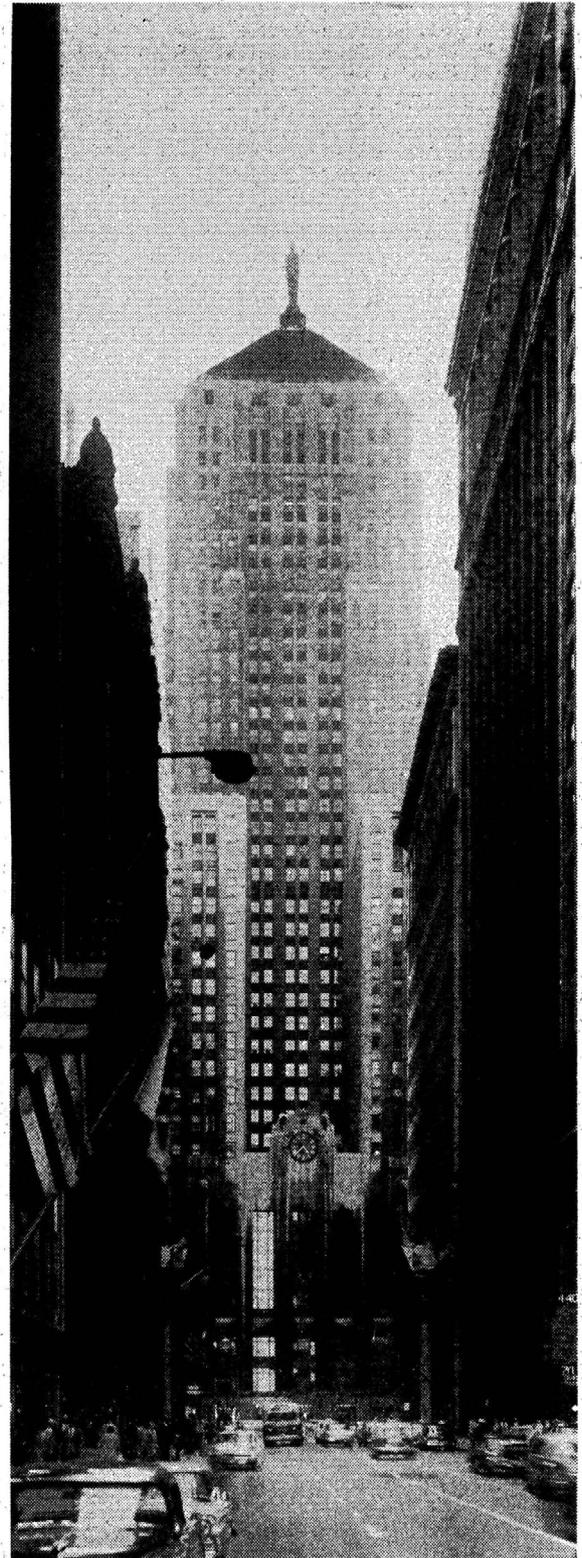
	1961	1960
Earnings:		
Loan Interest.....	\$6,430,471	\$5,327,175
Security Dividends & Interest.....	1,295,997	1,312,404
Other Operating Earnings.....	2,135,991	1,796,867
Total Operating Earnings.....	9,862,459	8,436,446
Salary and Wages.....	3,202,606	2,585,862
Federal Income Taxes.....	220,002	295,849
Other Operating Expenses.....	4,659,030	3,802,307
Net Operating Earnings.....	\$1,780,821	1,752,428
Per Share.....	\$7.12	\$7.01

Statement, December 31

ASSETS:	1961	1960
Cash.....	\$21,527,000	\$17,234,000
U. S. & Puerto Rican bonds.....	74,612,000	65,940,000
Loans and Discounts*.....	82,939,000	68,797,000
Furniture and Fixtures.....	3,110,000	2,695,000
Real Estate.....		51,000
Customers Liabilities.....	1,104,000	162,000
Other Assets.....	1,938,000	1,650,000
Total.....	\$185,230,000	\$156,529,000
LIABILITIES:		
Capital Stock.....	\$5,000,000	\$5,000,000
Surplus.....	5,250,000	5,000,000
Undivided Profits.....	1,751,000	1,188,000
Reserves.....	6,161,000	5,787,000
Customers' Liabilities.....	1,104,000	162,000
Dividends Payable.....	275,000	
Other Liabilities.....	849,000	378,000
Deposits.....	164,840,000	139,014,000
Total.....	\$185,230,000	\$156,529,000
Book Value Per Share.....	\$48.00	\$44.75

*Includes loans secured by U. S. Government: 1961—\$23,713,000; 1960—\$16,070,000.

CHICAGO BECKONS
In September



The proceedings of the Municipal Conference of the I. B. A. to be held Sept. 11-12 and the following outing of the Municipal Bond Club of Chicago, Sept. 13-14, will be covered by our representatives, who will take photographs, to be published in a special pictorial section.

Your advertisement in this special section will identify your firm with the important municipal field and the active Chicago markets.

For further information contact Edwin L. Beck, Commercial & Financial Chronicle, 25 Park Place, New York 7, N. Y. (REctor 2-9570)—(Area Code 212)

L. J. Kast Opens

NEW SHREWSBURY, N. J.—Louis J. Kast, Jr. is conducting a securities business from offices at 76 Willow Road under the firm name of L. J. Kast & Co.

Walston Adds

SAN DIEGO, Calif.—Francisco P. Marty has been added to the staff of Walston & Co., Inc., 230 A St. He was previously with N. C. Roberts & Co., Inc.

Indications of Current Business Activity

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

	Latest Week	Previous Week	Month Ago	Year Ago	Latest Month	Previous Month	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:							
Indicated steel operations (per cent capacity)-----Aug. 11	54.0	54.0	47.0	65.3			
Equivalent to-----							
Steel ingots and castings (net tons)-----Aug. 11	1,578,000	1,578,000	1,370,000	1,910,000			
AMERICAN PETROLEUM INSTITUTE:							
Crude oil and condensate output—daily average (bbls. of 42 gallons each)-----Aug. 3	7,238,610	7,262,560	7,237,210	6,961,910			
Crude runs to stills—daily average (bbls.)-----Aug. 3	8,462,000	8,451,000	8,632,000	8,466,000			
Gasoline output (bbls.)-----Aug. 3	31,005,000	30,943,000	30,627,000	30,626,000			
Kerosene output (bbls.)-----Aug. 3	2,971,000	2,872,000	2,477,000	2,737,000			
Distillate fuel oil output (bbls.)-----Aug. 3	13,462,000	14,027,000	13,974,000	14,037,000			
Residual fuel oil output (bbls.)-----Aug. 3	5,438,000	5,377,000	5,541,000	6,207,000			
Stocks at refineries, bulk terminals, in transit, in pipe lines							
Finished gasoline (bbl.) at-----Aug. 3	182,258,000	183,537,000	186,478,000	179,592,000			
Kerosene (bbls.) at-----Aug. 3	33,366,000	31,952,000	30,257,000	32,300,000			
Distillate fuel oil (bbls.) at-----Aug. 3	140,414,000	135,082,000	123,367,000	132,875,000			
Residual fuel oil (bbls.) at-----Aug. 3	50,717,000	49,916,000	46,020,000	49,758,000			
ASSOCIATION OF AMERICAN RAILROADS:							
Revenue freight loaded (number of cars)-----Aug. 4	568,424	567,131	419,584	588,269			
Revenue freight received from connections (no. of cars)-----Aug. 4	483,728	477,845	446,027	480,414			
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:							
Total U. S. construction-----Aug. 9	\$412,000,000	\$482,100,000	\$428,300,000	\$557,300,000			
Private construction-----Aug. 9	179,700,000	245,700,000	228,600,000	240,000,000			
Public construction-----Aug. 9	232,300,000	236,400,000	199,700,000	317,300,000			
State and municipal-----Aug. 9	210,500,000	206,000,000	138,500,000	230,900,000			
Federal-----Aug. 9	21,800,000	30,400,000	61,200,000	86,400,000			
COAL OUTPUT (U. S. BUREAU OF MINES):							
Bituminous coal and lignite (tons)-----Aug. 4	8,385,000	*8,305,000	1,620,000	7,940,000			
Pennsylvania anthracite (tons)-----Aug. 4	305,000	297,000	112,000	340,000			
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1957-59 AVERAGE=100							
-----Aug. 4	98	95	85	95			
EDISON ELECTRIC INSTITUTE:							
Electric output (in 1000 kwh.)-----Aug. 11	17,159,000	15,565,000	16,749,000	16,080,000			
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.							
-----Aug. 9	306	310	253	343			
IRON AGE COMPOSITE PRICES:							
Finished steel (per lb.)-----Aug. 6	6.196c	6.196c	6.196c	6.196c			
Pig iron (per gross ton)-----Aug. 6	\$66.44	\$66.44	\$66.44	\$66.44			
Scrap steel (per gross ton)-----Aug. 6	\$27.50	\$27.50	\$25.17	\$37.83			
METAL PRICES (E. & M. J. QUOTATIONS):							
Electrolytic copper-----							
Domestic refinery at-----Aug. 8	30.600c	30.600c	30.600c	30.600c			
Export refinery at-----Aug. 8	28.625c	28.600c	28.575c	28.000c			
Lead (New York) at-----Aug. 8	9.500c	9.500c	9.500c	11.000c			
Lead (St. Louis) at-----Aug. 8	9.300c	9.300c	9.300c	10.800c			
Zinc (delivered) at-----Aug. 8	12.000c	12.000c	12.000c	12.000c			
Zinc (East St. Louis) at-----Aug. 8	11.500c	11.500c	11.500c	11.500c			
Aluminum (primary pig, 99.5% at)-----Aug. 8	24.000c	24.000c	24.000c	26.000c			
Straits tin (New York) at-----Aug. 8	108.375c	109.375c	112.000c	117.500c			
MOODY'S BOND PRICES DAILY AVERAGES:							
U. S. Government Bonds-----Aug. 14	88.27	87.98	88.15	85.90			
Average corporate-----Aug. 14	86.78	86.91	87.05	85.59			
Aaa-----Aug. 14	90.77	90.77	91.05	89.51			
Aa-----Aug. 14	88.95	88.81	88.95	87.85			
A-----Aug. 14	86.65	86.65	86.78	84.81			
Baa-----Aug. 14	81.42	81.42	81.66	80.81			
Railroad Group-----Aug. 14	83.40	83.40	83.40	83.28			
Public Utilities Group-----Aug. 14	88.67	88.67	89.09	86.51			
Industrials Group-----Aug. 14	88.54	88.27	88.54	87.32			
MOODY'S BOND YIELD DAILY AVERAGES:							
U. S. Government Bonds-----Aug. 14	3.91	3.94	3.91	4.09			
Average corporate-----Aug. 14	4.65	4.64	4.63	4.74			
Aaa-----Aug. 14	4.36	4.36	4.34	4.45			
Aa-----Aug. 14	4.49	4.50	4.49	4.57			
A-----Aug. 14	4.66	4.66	4.65	4.80			
Baa-----Aug. 14	5.07	5.07	5.05	5.12			
Railroad Group-----Aug. 14	4.91	4.91	4.91	4.92			
Public Utilities Group-----Aug. 14	4.51	4.51	4.48	4.67			
Industrials Group-----Aug. 14	4.52	4.54	4.52	4.61			
MOODY'S COMMODITY INDEX							
-----Aug. 14	369.2	369.8	370.5	375.9			
NATIONAL PAPERBOARD ASSOCIATION:							
Orders received (tons)-----Aug. 4	414,999	326,215	294,844	371,056			
Production (tons)-----Aug. 4	366,338	354,555	238,444	328,490			
Percentage of activity-----Aug. 4	98	95	63	94			
Unfilled orders (tons) at end of period-----Aug. 4	542,041	496,276	506,838	517,880			
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100							
-----Aug. 10	113.26	113.67	117.25	114.40			
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS EXCEPT ODD-LOT DEALERS AND SPECIALISTS							
Transactions of specialists in stocks in which registered—							
Total purchases-----July 20	2,361,920	3,493,590	3,055,870	2,121,360			
Short sales-----July 20	625,360	1,246,930	650,750	348,050			
Other sales-----July 20	1,548,950	2,506,860	2,708,270	1,763,520			
Total sales-----July 20	2,174,310	3,753,790	3,359,020	2,111,570			
Other transactions initiated off the floor-----							
Total purchases-----July 20	401,670	653,100	610,330	170,390			
Short sales-----July 20	86,700	177,300	120,800	6,300			
Other sales-----July 20	337,620	431,510	605,230	216,470			
Total sales-----July 20	424,320	608,810	726,030	222,770			
Other transactions initiated on the floor-----							
Total purchases-----July 20	701,708	1,068,890	963,721	676,695			
Short sales-----July 20	101,850	193,570	97,760	97,760			
Other sales-----July 20	662,765	1,119,905	1,117,070	587,867			
Total sales-----July 20	764,615	1,382,620	1,310,640	685,627			
Total round-lot transactions for account of members-----							
Total purchases-----July 20	3,465,298	5,215,580	4,629,921	2,968,445			
Short sales-----July 20	813,910	1,686,945	965,120	452,110			
Other sales-----July 20	2,549,335	4,058,275	4,430,570	2,567,857			
Total sales-----July 20	3,363,245	5,745,220	5,395,690	3,019,967			
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-----July 20	1,412,870	2,198,971	1,981,342	1,461,819			
Dollar value-----July 20	\$69,608,891	\$109,937,267	\$95,423,688	\$76,187,306			
Odd-lot purchases by dealers (customers' sales)—							
Number of orders—customers' total sales-----July 20	1,251,230	1,547,069	1,744,680	1,359,996			
Customers' short sales-----July 20	65,558	77,515	112,929	18,093			
Customers' other sales-----July 20	1,185,672	1,469,554	1,631,751	1,341,903			
Dollar value-----July 20	\$63,195,971	\$81,739,999	\$92,073,594	\$69,674,708			
Round-lot sales by dealers-----							
Number of shares—Total sales-----July 20	339,160	320,340	489,320	408,800			
Short sales-----July 20							
Other sales-----July 20	339,160	320,340	489,320	408,800			
Round-lot purchases by dealers—Number of shares-----July 20	529,670	996,050	665,330	510,300			
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):							
Total round-lot sales-----							
Short sales-----July 20	1,361,080	2,502,280	1,771,720	586,370			
Other sales-----July 20	15,223,580	21,425,420	20,253,500	13,347,410			
Total sales-----July 20	16,584,660	23,927,700	22,025,220	13,939,780			
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):							
Commodity Group-----							
All commodities-----Aug. 7	100.5	100.4	100.3	Not Available			
Farm products-----Aug. 7	97.3	96.7	96.2	Not Available			
Processed foods-----Aug. 7	101.5	101.5	100.4	Not Available			
Meats-----Aug. 7	99.7	100.1	97.3	Not Available			
All commodities other than farm and foods-----Aug. 7	100.7	100.7	100.8	Not Available			
ALUMINUM (BUREAU OF MINES)—							
Production of primary aluminum in the U. S. (in short tons)—Month of June-----	179,122	184,211	159,091				
Stocks of aluminum (short tons) end of June-----	132,602	137,764	247,504				
AMERICAN TRUCKING ASSOCIATION, INC.—							
Month of June:-----							
Intercity general freight transport by 327 carriers (in tons)-----	5,925,190	6,126,113	5,597,994				
AMERICAN ZINC INSTITUTE, INC.—Month of July:							
Slab zinc smelter output all grades (tons of 2,000 pounds)-----	70,789	72,927	69,755				
Shipments (tons of 2,000 pounds)-----	55,441	71,199	70,971				
Stocks at end of period (tons)-----	162,416	147,068	206,604				
BUILDING CONSTRUCTION—U. S. DEPT. OF LABOR—Month of July (in millions):							
Total new construction-----	5,706	*5,790	5,274				
Private construction-----	4,061	*4,095	3,734				
Residential buildings (nonfarm)-----	2,366	*2,479	2,125				
New housing units-----	1,745	*1,687	1,524				
Additions and alterations-----	508	*683	501				
Nonhousekeeping-----	113	*109	100				
Nonresidential buildings-----	1,025	971	932				
Industrial-----	239	235	216				
Commercial-----	469	433	419				
Office buildings and warehouses-----	217	208	199				
Stores, restaurants, and garages-----	252	225	220				
Other nonresidential buildings-----	317	303	297				
Religious-----	86	82	86				
Educational-----	53	50	51				
Hospital and institutional-----	82	79	68				
Social and recreational-----	71	68	67				
Miscellaneous-----	25	24	25				
Farm construction-----	153	*138	164				
Public utilities-----	490	484	491				
Telephone and telegraph-----	83	*83	85				
Other public utilities-----	407	*401	406				
All other private-----	27	23	22				
Public construction-----	1,645	*1,695	1,540				
Residential buildings-----	77	*79	70				
Nonresidential buildings-----	457	*472	450				
Industrial-----	29	*25	26				

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.

ABC Business Forms, Inc.

July 27, 1962 ("Reg. A") 51,500 common. Price—\$3.50. **Business**—Manufacture, design and development of business forms. **Proceeds**—For debt repayment and working capital. **Office**—3500 N. W. 71st St., Miami. **Underwriter**—Givens & Co., Inc., Miami.

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**—To be named.

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 Rafensperger, Hughes & Co., Indianapolis.

Admiral Automotive Products, Inc. (9/4-7)

Jan. 11, 1962 filed 50,000 common. Price—\$5. **Business**—A warehouse distributor of automobile equipment accessories and supplies. **Proceeds**—For expansion and working capital. **Office**—3294 Steinway St., Astoria, N. Y. **Underwriter**—Christopher & Co., Inc. N. Y.

Admiral Benbow Inn, Inc.

July 11, 1962 ("Reg. A") \$300,000 of 6% convertible debentures. Price—At par. **Business**—Operation of restaurants, motels and hotels. **Proceeds**—For general corporate purposes. **Office**—29 S. Bellevue Blvd., Memphis. **Underwriter**—James N. Reddoch & Co., Memphis.

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. **Note**—This Letter was withdrawn.

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. **Note**—This letter was withdrawn.

Agency Tile Industries, Inc.

July 27, 1962 ("Reg. A") 110,000 common. Price—\$2.50. **Business**—Importing, marketing and distribution of ceramic tiles. **Proceeds**—For debt repayment, new products, sales promotion and working capital. **Office**—256 Fifth Ave., N. Y. **Underwriters**—Leib, Skoot & Co., Inc., Clifton, N. J., and Price Investing Co., 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. (8/29)

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., New York.

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-Tegele & 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 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.

Allied Producers of America

Aug. 3, 1962 ("Reg. A") 95,000 Common. Price—\$2. **Business**—Production of motion pictures. **Proceeds**—For purchase of a motion picture, and working capital. **Office**—8822 W. Washington Blvd., Culver City, Calif. **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 amend-

ment. **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. **Offering**—Expected in September.

American Brake Shoe Co. (8/21)

Aug. 1, 1962 filed \$12,000,000 of sinking fund debentures, due 1987. Price—By amendment. **Business**—Manufacture of hydraulic systems, castings and forgings, friction materials, and railroad equipment. **Proceeds**—For debt repayment, capital improvements, and working capital. **Office**—530 Fifth Ave., New York. **Underwriter**—First Boston Corp., N. Y.

American Fidelity Corp.

June 4, 1962 filed 500,000 common. Price—\$11. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—423 E. Market St., Indianapolis. **Underwriters**—Reynolds & Co., Inc., N. Y., and Crutenden, Podesta & Miller, Chicago.

American Flag & Banner Co. of New Jersey (9/4-7)

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. (9/17-21)

March 26, 1962 filed 548,532 common to be offered for subscription by stockholders on the basis of 3.6 new shares for each share held. Price—By amendment (max. \$5). **Business**—Transportation, distribution and sale of gas. **Proceeds**—For debt repayment and expansion. **Office**—546 S. 24th Ave., Omaha. **Underwriter**—Crutenden, Podesta & Miller, Chicago.

American 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 amendment (max. \$6). **Business**—Operation of hospitals and medical laboratories. **Proceeds**—For debt repayment and working capital. **Office**—660 S. Bonnie Brae, Los Angeles. **Underwriter**—California Investors, Los Angeles. **Offering**—Indefinitely postponed.

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**—American Pacific Management Corp. (same address).

American Phoenix Corp.

Jan. 24, 1962 filed 315,000 class A shares. Price—\$10. **Business**—General real estate. **Proceeds**—For corporate purposes. **Office**—320 Park Ave., N. Y. **Underwriter**—Interamerica Securities Corp., N. Y.

American Plan Corp.

March 30, 1962 filed \$2,480,000 of convertible debentures due 1982 and 248,000 common shares (of which 218,000 will be sold for the company and 30,000 for stockholders). The securities will be offered in units of one \$10 debenture and one share. Price—By amendment (max. \$22.50 per unit). **Business**—Production and servicing of physical damage insurance on automobiles, trucks and mobile homes. **Proceeds**—To purchase American Fidelity Fire Insurance Co. **Office**—American Plan Bldg., Westbury, N. Y. **Underwriter**—Bear, Stearns & Co., N. Y.

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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 Failing Bldg., Portland, Ore. Underwriter—To be named.

Ames Department Stores, Inc.

April 27, 1962 filed 100,000 common. Price—\$3. Business—Operation of self-service discount department stores. Proceeds—For debt repayment, expansion and working capital. Office—Mill St., Southbridge, Mass. Underwriters—Meller & Co., and 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. Y. Underwriter—McDonnell & Co., N. Y.

Arden Farms Co.

May 23, 1962 filed \$6,000,000 of 6% conv. subord. debentures due 1990 to be offered in \$100 units; also 49,993 shares of \$3 cumulative preferred stock and 205,105 common shares to be offered for subscription by stockholders of the respective classes on the basis of one new share for each 10 held. Price—For debentures, at par; for stock, by amendment. Business—Manufacture, purchase and sale of ice cream and other dairy products. Proceeds—For debt repayment. Office—1900 W. Slau-son Ave., Los Angeles. Underwriter—None.

Argus Financial Fund, Inc.

Feb. 12, 1962 filed 800,000 capital shares to be offered in exchange for certain securities acceptable to the Fund. Price—Net asset value (expected at \$12.50 per share). Business—A diversified open-end investment company which plans to participate in the long-term progress of savings and loan associations, and allied financial businesses. Proceeds—For investment. Office—1118 Torrey Pines Road, La Jolla, Calif. Dealer-Manager—Argus Financial Sales Corp. (same address).

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—Bratner & Co., Inc., Minneapolis.

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.

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.

Astra Corp.

Aug. 2, 1962 ("Reg. A") 100,000 common. Price—\$2.50. Business—Manufacture of instrument transformers. Proceeds—For general corporate purposes. Office—314 West Second St., Boston. Underwriter—None.

Atlantic Bowling Corp.

June 18, 1962 filed \$810,000 of 6% subordinated convertible debentures due 1972 being 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). Record date for the offering is July 31 and the rights expiration date Aug. 31. 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.

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 Merchandising, Inc.

May 24, 1962 filed 225,000 common, of which 125,000 are to be offered by company and 100,000 by stockholders. Price—By amendment (max. \$6). Business—Company operates, owns, services and leases coin-operated automatic vending machines. Proceeds—For debt repayment, inventories, equipment and working capital. Office—217 N. Willow Ave., Tampa. Underwriter—A. C. Allyn & Co., Chicago.

Avis, Inc.

June 22, 1962 filed \$1,497,000 of 5½% subord. convert. debentures due 1972 and 499,101 common being 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. Record date for the offering is July 31, and the rights expiration date Aug. 17. 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—Roosevelt Field, Garden City, N. Y. Underwriter—None.

Bank "Adanim" Mortgages & Loan Ltd.

Dec. 29, 1961 filed \$556,000 of 6% cumulative preference dividend participating dollar-linked shares. Price—By amendment. Business—A mortgage lending company. Proceeds—For general corporate purposes. Address—108 Achad Haam St., Tel-Aviv, Israel. Underwriter—Adanim American Israel Investment Co., Inc.

Barish Associates, Inc.

Sept. 1, 1961 ("Reg. A") 50,000 common. Price—\$4. Business—Aeronautical research and development. Proceeds—For working capital. Office—224 E. 38th St., N. Y. Underwriter—Gianis & Co., N. Y. Note—This letter will be withdrawn.

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.

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 23, 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—Banuch Brothers & Co., Inc., N. Y. Note—This statement was withdrawn.

Bene Cosmetics, Inc.

March 2, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Importation, sale and distribution of Italian cosmetics. Proceeds—For advertising, inventory and

working capital. Office—114 W. 13th St., N. Y. Underwriter—Granite Securities, Inc., N. Y.

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—To be named.

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 Building 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.

Blue Magic Co. of Ohio, Inc.

July 16, 1962 filed 100,900 common. Price—\$4. Business—Manufacture of liquid starch, a rinse, and spray starch for household use. Proceeds—For equipment, plant expansion and working capital. Office—901 Florence Ave., Lima, Ohio. Underwriter—Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia.

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.

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—1301 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—Temporarily postponed.

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—Philips, Appel & Walden, 115 Broadway, 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.

Cambridge Mills Inc.

July 27, 1962 filed 110,000 common. Price—\$3.50. Business—Design and manufacture of infants' nylon "stretch" wear. Proceeds—For debt repayment, working capital and general corporate purposes. Office—725 Broadway, N. Y. Underwriter—Alskor Securities Co., N. Y.

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.

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try. 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, effect 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, Chicago.

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. **Offering**—Imminent.

Centko 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., New York.

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 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 registration was withdrawn.

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.

Certified Capital Corp.
Aug. 2, 1962 filed \$200,000 of 8% registered subord. debentures due 1965 and \$400,000 of 8% debentures due 1967 (with attached warrants). **Price**—At par. **Business**—Commercial and industrial financing. **Proceeds**—For general corporate purposes. **Office**—165 Broadway, N. Y. **Underwriter**—None.

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. (9/24-28)
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.

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**—Indefinitely postponed.

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.

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.

College Publishing Corp. (9/17-21)
March 16, 1962 ("Reg. A") 155,000 common. **Price**—\$1. **Business**—Composition, publication and distribution of study manuals for examination preparation. **Proceeds**—For equipment, expansion and other corporate purposes. **Office**—142 Livingston St., Brooklyn, N. Y. **Underwriter**—James & Co., 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 Realty Trust
June 18, 1962 filed 420,000 class A shares of beneficial interest. **Price**—\$10. **Business**—A real estate investment company. **Proceeds**—For debt repayment and investment. **Office**—1415 K St., N. W., Washington, D. C. **Underwriter**—Norman Bernstein Securities, Inc., (same address).

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

Computer Applications Inc. (9/4-7)
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. **Note**—This registration was withdrawn.

Computer Concepts Inc. (8/31)
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. 28, 1961 filed 120,000 common (with attached 3-year warrants to purchase an additional 60,000 shares at \$2 per share) to be offered in units of one share and one-half warrant. **Price**—\$2 per unit. **Business**—Manufacture of cosmetics, toiletries, cleaning chemicals, jewelry, etc. **Proceeds**—For general corporate purposes. **Office**—525-535 E. 137th St., New York City. **Underwriter**—M. G. Davis, 150 Broadway, N. Y.

Concrete Structures, Inc.
July 27, 1962 filed 100,000 common. **Price**—\$4.50. **Business**—Production of precast and prestressed concrete items for the construction industry. **Proceeds**—For debt

repayment. **Office**—12825 North East 14th Ave., North Miami, Fla. **Underwriter**—Bernard M. Kahn & Co., Inc., N. Y. **Offering**—Expected sometime in September.

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**—In the Fall.

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, Volsin & 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.

Control Data Corp. (8/28)
Aug. 8, 1962 filed \$15,000,000 of convertible subordinated debentures due 1977. **Price**—By amendment. **Business**—Design, development and manufacture of electronic data systems and automatic controls. **Proceeds**—For debt repayment and general corporate purposes. **Office**—8100 34th Ave., S. Minneapolis. **Underwriter**—Dean Witter & Co., Chicago.

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.

Cooper-Tinsley Laboratories, Inc.
Aug. 8, 1962 ("Reg. A") 50,000 common. **Price**—\$5.375. **Business**—Company develops, manufactures and markets ethical pharmaceutical and chemical specialties. **Proceeds**—For working capital. **Office**—229 Cleveland Ave., Harrison, N. J. **Underwriter**—None.

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. (9/4-7)
May 26, 1962 filed 190,000 common, of which 178,000 are to be offered for public sale by the company and 12,000 outstanding by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of phonograph records. **Proceeds**—For the repayment of debt, and working capital. **Office**—315 W. 47th St., N. Y. **Underwriter**—Van Alstyne, Noel & Co., N. Y. **Note**—This firm was known formerly as the Cosnat Record Distributing Corp.

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

Country Set Inc.
Mar. 2, 1962 filed 150,000 common. **Price**—By amendment (max. \$8). **Business**—Design and manufacture of sports and casual wear for girls and women. **Proceeds**—For selling stockholders. **Office**—1136 Washington Ave., St. Louis. **Underwriter**—Goodbody & Co., N. Y. **Offering**—Temporarily postponed.

Courtesy Products Corp.
May 16, 1962 filed 150,000 common. **Price**—By amendment (max. \$5). **Business**—Manufacture, and sale or lease to hotels and motels of electric wall units for the preparation of coffee, and the sale of coffee, tea, cream,

etc. **Proceeds**—For debt repayment, advances to a subsidiary and general corporate purposes. **Office**—1411 Palm St., San Diego, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco. **Note**—This registration was withdrawn.

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. **Offering**—Expected in September.

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.

Decorel Corp.

Dec. 29, 1961 filed 120,000 common, of which 90,000 are to be offered by the public and 30,000 by a stockholder. **Price**—By amendment. **Business**—Production and sale of wood and metal framed pictures, wood utility frames, etc. **Proceeds**—For debt repayment, inventory, and working capital. **Office**—444 Courtland St., Mundelein, Ill. **Underwriter**—To be named.

Deuterium Corp.

Sept. 28, 1961 filed 140,000 common with attached warrants to purchase an additional 140,000 shares to be offered for subscription by stockholders in units (of one share and one warrant) on the basis of 3 units for each 5% preferred share held, 2 units for each 5% preferred A stock held and one unit for each 10 class B shares held. **Price**—\$20 per unit. **Business**—Company plans to manufacture and utilize all kinds of chemical materials. **Proceeds**—For start-up expenses, for a laboratory and small plant. **Office**—360 Lexington Ave., New York. **Underwriter**—None.

Diamond Dust Co., Inc.

Feb. 27, 1962 filed 102,000 common. **Price**—\$3. **Business**—Production of graded diamond powder and compound. **Proceeds**—For debt repayment, additional personnel, advertising and working capital. **Office**—77 Searing Ave., Mineola, N. Y. **Underwriter**—Magnus & Co., N. Y. **Offering**—Indefinitely postponed.

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

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NEW ISSUE CALENDAR

- August 16 (Thursday)**
 - Duke Power Co.-----Bonds
(Bids 11 a.m. EDST) \$50,000,000
 - August 20 (Monday)**
 - Automatic Controls, Inc.-----Common
(S. Schramm & Co., Inc.) \$200,000
 - Eastern Properties Improvement Corp.-----Units
(Fleetwood Securities Corp. of America) \$2,100,000
 - Electromagnetic Industries, Inc.-----Common
(Pierce, Carrison, Wulburn, Inc.) 70,000 shares
 - Electromagnetic Industries, Inc.-----Conv. Debentures
(Pierce, Carrison, Wulburn, Inc.) \$250,000
 - Index & Retrieval Systems, Inc.-----Common
(Shaw, Darr & Co., Inc.) \$312,500
 - Sage International Inc.-----Capital
(First California Co., Inc. and Allen & Co.) 100,000 shares
 - Wulpa Parking Systems, Inc.-----Common
(I. R. E. Investors Corp.) \$200,000
 - August 21 (Tuesday)**
 - American Brake Shoe Co.-----Debentures
(First Boston Corp.) \$12,000,000
 - Gourmet Restaurants, Inc.-----Capital
(Crutenden & Co., Inc.) \$105,798
 - Public Service Electric & Gas Co.-----Bonds
(Bids 11 a.m. EDST) \$40,000,000
 - August 22 (Wednesday)**
 - Kornhandler (Lou), Inc.-----Common
(Costello, Russotto & Co.) \$250,000
 - Louisville & Nashville RR.-----Equip. Trust Cdfs.
(Bids 12 noon EDST) \$7,275,000
 - August 27 (Monday)**
 - Aubrey Manufacturing, Inc.-----Common
(Pierce, Carrison, Wulburn, Inc. and A. M. Kidder & Co., Inc.) 140,004 shares
 - Firmatron, Inc.-----Common
(Fred F. Sessler & Co., Inc.) \$247,000
 - First Railroad & Banking of Georgia-----Debentures
(Johnston, Lane, Space Corp.) \$3,000,000
 - Four Star Sportswear, Inc.-----Common
(Magnus & Co., Inc.) \$309,000
 - Gaslight Club, Inc.-----Common
(Myron A. Lomasney & Co.) 100,000 shares
 - Kapner, Inc.-----Common
(Arnold, Wilkens & Co., Inc.) \$250,000
 - Massachusetts Electric Co.-----Bonds
(Bids 12 noon EDST) \$60,000,000
 - Massachusetts Electric Co.-----Preferred
(Bids 11 a.m. EDST) \$7,500,000
 - Maxwell Industries, Inc.-----Common
(H. M. Frumkes & Co.) 80,000 shares
 - Wolverine Aluminum Corp.-----Common
(F. J. Winckler & Co.) 100,000 shares
 - August 28 (Tuesday)**
 - Control Data Corp.-----Debentures
(Dean Witter & Co.) \$15,000,000
 - Fastpak, Inc.-----Common
(Arnold Malkan & Co., Inc.) \$625,000
 - Walston Aviation, Inc.-----Common
(White & Co., Inc.) \$562,500
 - August 29 (Wednesday)**
 - Air Reduction Co., Inc.-----Debentures
(Offering to stockholders—underwritten by Kidder, Peabody & Co. and Dean Witter & Co.) \$44,546,300
 - Iowa Public Service Co.-----Common
(Offering to stockholders—Bids 11 a.m. EDST) 320,468 shares
 - Stephens (M.) Mfg., Inc.-----Capital
(Thomas Jay, Winston & Co., Inc. and I. J. Schein & Co.) \$300,000
 - Worth Financial Corp.-----Common
(D. A. Bruce & Co.) \$305,000

- August 30 (Thursday)**
 - Nevada Power Co.-----Preferred
(White, Weid & Co.) 100,000 shares
 - August 31 (Friday)**
 - Computer Concepts Inc.-----Common
(Doft & Co.) \$500,000
 - Electronic Transmission Corp.-----Common
(V. S. Wickett & Co., Inc.; Thomas, Williams & Lee, Inc. and Crosse & Co., Inc.) \$375,000
 - September 4 (Tuesday)**
 - Admiral Automotive Products, Inc.-----Common
(Christopher & Co., Inc.) \$250,000
 - Also Electronics, Inc.-----Class A
(Albert Teller & Co., Inc. and H. A. Riecke & Co., Inc.) \$300,000
 - American Flag & Banner Co. of New Jersey-----Common
(K-Pac Securities Corp.) \$325,000
 - Cameo Lingerie, Inc.-----Common
(Schweickart & Co.) \$1,000,000
 - Computer Applications Inc.-----Common
(L. M. Rosenthal & Co., Inc.) 87,000 shares
 - Cosnat Corp.-----Common
(Van Alstyne, Noel & Co.) 190,000 shares
 - Kaiser-Nelson Corp.-----Common
(Robert L. Ferman & Co., Inc.) 140,000 shares
 - Laminetics Inc.-----Common
(Fabricant Securities Corp.) \$280,000
 - Leslie Fay Inc.-----Class A
(Shearson, Hammill & Co.) 200,000 shares
 - Livestock Financial Corp.-----Common
(Shearson, Hammill & Co.) \$2,450,000
 - Metropolitan Realty Trust-----Ben. Int.
(Eisele & King, Libaire, Stout & Co.) \$6,500,000
 - Moskatel's, Inc.-----Capital
(Thomas Jay, Winston & Co., Inc.) 104,000 shares
 - Oceana International, Inc.-----Common
(Baruch Brothers & Co., Inc.) \$825,000
 - Sawyer's Inc.-----Debentures
(Straus, Blosser & McDowell and Dempsey-Tegeler & Co., Inc.) \$1,250,000
 - Sawyer's Inc.-----Capital
(Straus, Blosser & McDowell and Dempsey-Tegeler & Co., Inc.) 100,000 shares
 - Servotronics, Inc.-----Capital
(General Securities Co., Inc.) \$375,000
 - Stelber Cycle Corp.-----Common
(Lloyd Securities, Inc.) \$600,000
 - Welsh Panel Co.-----Common
(Perman & Co.) 135,000 shares
 - September 5 (Wednesday)**
 - Pennsylvania Power Co.-----Bonds
(Bids to be received) \$12,000,000
 - Trailer Train Co.-----Equip. Trust Cdfs.
(Bids to be received) \$4,000,000
 - September 6 (Thursday)**
 - Public Service Co. of Colorado-----Common
(Offering to stockholders—underwritten by First Boston Corp.; Elyth & Co., Inc., Smith, Barney & Co.) 1,242,822 shares
 - September 10 (Monday)**
 - Continental Telephone Co.-----Common
(Allen & Co. and E. F. Hutton & Co.) 475,000 shares
 - Duro Pen Co., Inc.-----Common
(Godfrey, Hamilton, Taylor & Co.) \$600,000
 - Gemco-Ware Corp.-----Units
(Richard Bruce & Co., Inc.) \$1,000,000
 - Grand Bahama Development Co., Ltd.-----Common
(Allen & Co.) 250,000 shares
 - Heck's Discount Centers, Inc.-----Common
(Willard Securities, Inc.) 125,000 shares
 - Hicks-Ponder Co.-----Common
(Eppler, Guerin & Turner, Inc.) 185,000 shares
 - Jaap Penratt Associates, Inc.-----Common
(R. F. Dowd & Co., Inc.) \$300,000
 - Lyntex Corp.-----Units
(P. W. Brooks & Co., Inc.) 1,200 units

- Spencer Chemical Co.-----Common
(Morgan Stanley & Co.) 65,813 shares
- Summit Gear Co., Inc.-----Common
(Irving J. Rice & Co., Inc.) \$584,500
- 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 EDST) \$9,450,000
 - September 14 (Friday)**
 - Regulators, Inc.-----Common
(Myron A. Lomasney & Co.) \$375,000
 - September 17 (Monday)**
 - American Gas Co.-----Common
(Offering to stockholders—underwritten by Crutenden, Podesta & Miller) 548,532 shares
 - College Publishing Corp.-----Common
(James Co.) \$155,000
 - Dyna Mfg. Co.-----Common
(Raymond Moore & Co.) \$300,000
 - Optech, Inc.-----Common
(Stone, Ackerman & Co., Inc. and Heritage Equity Corp.) \$480,000
 - Playboy Clubs International, Inc.-----Common
(Divine & Fishman, Inc.) 270,000 shares
 - Tabach Industries, Inc.-----Common
(Costello, Russotto & Co.) \$300,000
 - September 18 (Tuesday)**
 - Shin Mitsubishi Jukogyo, K. K.-----Debentures
(First Boston Corp. and Nomura Securities Co., Ltd.) \$10,000,000
 - Steel Plant Equipment Corp.-----Common
(Joseph W. Hurley & Co.) \$208,980
 - September 24 (Monday)**
 - Chestnut Hill Industries, Inc.-----Common
(Clayton Securities Corp.) \$2,250,000
 - First Connecticut Small Business Investment Co.-----Common
(P. W. Brooks & Co.) 200,000 shares
 - Hallandale Rock & Sand Co.-----Units
(Mutch, Khanbegan, Flynn & Green, Inc.) \$450,000
 - Halsey Drug Co.-----Common
(Packer-Wilbur & Co., Inc. and Alessandrini & Co., Inc.) \$318,000
 - Magnetics Research Co., Inc.-----Common
(T. W. Lewis & Co., Inc.) \$300,000
 - October 1 (Monday)**
 - Lewis (Tillie) Foods, Inc.-----Debentures
(Van Alstyne, Noel & Co.) \$4,000,000
 - October 24 (Wednesday)**
 - Panhandle Eastern Pipe Line Co.-----Debentures
(Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co.) \$60,000,000
 - Panhandle Eastern Pipe Line Co.-----Preferred
(Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co.) \$20,000,000
 - 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 13 (Tuesday)**
 - Jersey Central Power & Light Co.-----Bonds
(Bids to be received) \$11,000,000
 - November 27 (Tuesday)**
 - Metropolitan Edison Co.-----Bonds
(Bids to be received) \$15,000,000
 - November 28 (Wednesday)**
 - Southern Electric Generating Co.-----Bonds
(Bids to be received) \$6,500,000

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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 Oct.

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, Batzli & E. W. Clark, Inc. and Stroud & Co., Philadelphia.

Dudley Sports Co., Inc.

July 20, 1962 ("Reg. A") 37,500 common. Price—\$4.50. Business—Distribution and sale of sports equipment and accessories. Proceeds—For debt repayment, sales promotion and working capital. Office—633 Second Ave., N. Y. Underwriter—Cerie & Co., Inc., N. Y.

Duke Power Co. (8/16)

July 11, 1962 filed \$50,000,000 of first and refunding mortgage bonds due 1992. 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.

Duro Pen Co., Inc. (9/10-14)

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.

Dyna Mfg. Co. (9/17-21)

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. (8/20)

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.

Econo-Car International, Inc.

July 27, 1962 filed 100,000 class A common. Price—\$4. Business—Rental of automobiles, station wagons, and trucks. Proceeds—For equipment, new franchises, and working capital. Office—520 Westfield Ave., Elizabeth, N. J. Underwriter—Crosse & Co. Inc., N. Y.

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.

Electromagnetic Industries, Inc. (8/20-24)

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.

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. Note—This statement was withdrawn.

Electronic Transmission Corp. (8/31)

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. Wickert & 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.

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.

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. Note—This registration was withdrawn.

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.

Fabco, Inc.

July 20, 1962 ("Reg. A") 200,000 common. Price—\$1.50. Business—Manufacture of insulated water closet tanks, fiberglass gravel stop and laundry tubs. Proceeds—For debt repayment, equipment, and working capital. Address—Stillwater, Minn. Underwriter—Pewters, Donnelly & Jansen, Inc., St. Paul.

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—L. H. Wright, Co., Inc., N. Y.

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. (8/28-31)

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.

Firmatron, Inc. (8/27-31)

July 20, 1962 ("Reg. A") 82,500 common. Price—\$3. Business—Development, manufacture and operation of electronic therapy machines for cosmetic purposes. Proceeds—For equipment, advertising, and other corporate purposes. Office—14 E. 69th St., N. Y. Underwriter—Fred F. Sessler & Co. Inc., N. Y.

★ First American Israel Mutual Fund

Aug. 15, 1962 filed 2,750,000 shares of beneficial interest. Price—By amendment (max. \$10). Business—A mutual fund which plans to invest primarily in equity type securities of Israeli companies. Proceeds—For investment. Office—141 Milk St., Boston. Underwriter—Paine, Webber, Jackson & Curtis, Boston.

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. (9/24-28)

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. Mensch 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 Railroad & Banking of Georgia (8/27-31)

July 30, 1962 filed \$3,000,000 of 5% convertible debentures, due 1977. Price—At par. Business—Company is engaged in railroad property leasing; commercial banking and trust services; underwriting of fire, casualty and credit life insurance. Proceeds—To re-purchase company shares, acquire additional shares of a subsidiary, prepay debt, and increase working capital. Office—701 Broad St., Augusta, Ga. Underwriter—Johnson, Lane, Space Corp., Augusta.

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.

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.

Four Star Sportswear, Inc. (8/27-31)

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.

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. Note—This registration was withdrawn.

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—To be named.

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.

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.

Garsite Products, Inc.

July 13, 1962 ("Reg. A") 15,000 common. Price—\$3.33. Business—Manufacture of machinery and equipment for the gasoline and oil marketing industries. Proceeds—For a selling stockholder. Office—4045 Merrick Rd., Seaford, L. I., N. Y. Underwriter—Theodore Arrin & Co., Inc., N. Y.

Gaslight Club, Inc. (8/27-31)

Feb. 28, 1962 filed 100,000 common. Price—\$5. 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. (9/4)

March 9, 1962 filed \$560,000 of 7% conv. subord. debentures due 1972 (with attached warrants), and 88,000 common to be offered in units of one \$280 debenture (with warrants to purchase 10 common shares), and 44 common shares. Price—\$500 per unit. 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—Richard Bruce & Co., Inc., New York.

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. Note—This registration was withdrawn.

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.

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 Vitamin & Drug Corp.

April 3, 1962 ("Reg. A") 78,000 common. Price—\$2.75. Business—Sale of vitamins through department stores and mail order. Proceeds—For debt repayment, new products, sales promotion and working capital. Office—88 Cutter Mill Rd., Great Neck, L. I., N. Y. Underwriter—J. J. Krieger & Co., Inc., N. Y.

Geriatric Research, Inc.

Feb. 12, 1962 filed 162,500 common, of which 12,500 are to be offered by the company and 150,000 by stockholders. Price—By amendment (max. \$8.50). Business—Direct mail selling of vitamin mineral products to elderly customers. Proceeds—For working capital. Office—179 N. Michigan Ave., Chicago. Underwriters—Bacon, Whipple & Co. and Freehling, Meyerhoff & Co., Chicago. Offering—Indefinitely postponed.

Gilfillan Corp.

April 4, 1962 filed 254,000 common. Price—By amendment (max. \$18). Business—Development and production of radar and other specialized electronic systems. Proceeds—For selling stockholders. Office—1815 Venice Blvd., Los Angeles. Underwriter—Blyth & Co., Inc., Los Angeles.

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.

Glasco Pacific, Inc.

July 12, 1962 filed 250,000 class A and 250,000 common shares to be offered in units of one class A and one common share. Price—\$5.05 per unit. Business—Company plans to manufacture flat glass mirrors and sliding wardrobe mirror doors and related products. Proceeds—For equipment, inventory and working capital. Office—1299 N. First St., San Jose, Calif. Underwriter—Wilson, Johnson & Higgins, San Francisco.

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—Sprayregen, 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 Pharmaceutical Co., Inc.

March 13, 1962 filed 80,000 common. Price—\$4. Business—Manufacture, development and sale of pharmaceutical and veterinarian products. Proceeds—For advertising, research, debt repayment and working capital. Office—36 Lawton St., New Rochelle, N. Y. Underwriter—Droulia & Co., N. Y.

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. Offering—Expected in early Sept.

Good-Era Realty & Construction Corp.

April 2, 1962 filed 550,000 class A shares. Price—\$10. Business—Company plans to develop, operate, construct and manage real estate. Proceeds—For general corporate purposes. Office—151 N. Dean St., Englewood, N. J. Underwriters—Leiberbaum & Co. and Morris Cohon & Co., 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. Note—This statement will be withdrawn.

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. (8/21)

April 30, 1962 ("Reg. A") 28,213 capital shares. Price—\$3.75. 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. Note—This registration was withdrawn.

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.

Gulf Atlantic Utilities, Inc.

July 30, 1962 filed 90,000 common. Price—By amendment (max. \$10). Business—A management and operating company for subsidiaries which own water treatment and sewerage disposal plants, and water distribution and sewage collections systems. Proceeds—For debt repayment, expansion and working capital. Office—2738 Mallinda Blvd., Jacksonville, Fla. Underwriter—Pierce, Carrison, Wulbern, Inc., Jacksonville. Offering—Expected sometime in September.

Hallandale Rock & Sand Co. (9/24-28)

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—

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For general corporate purposes. **Office**—Chicago, Ill. **Underwriter**—R. W. Pressprich & Co., N. Y. **Offering**—Temporarily postponed.

● **Halsey Drug Co. (9/24-28)**

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 70,000 common shares. **Price**—\$1. **Business**—The marketing of gifts, candies and greeting cards through franchised dealers. **Proceeds**—For equipment, inventory and working capital. **Office**—11 Tenth Ave., S Hopkins, Minn. **Underwriter**—None.

● **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**—To be named.

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

● **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. (9/10)**

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.

● **Hek Manufacturing Co., Inc.**

Aug. 7, 1962 ("Reg. A") 75,000 common, of which 69,000 shares are to be offered for the account of the company and 6,000 shares for the underwriter. **Price**—\$2. **Business**—Manufacture of dental equipment. **Proceeds**—For debt repayment, advertising, research and development and working capital. **Office**—2176 Palou, San Francisco. **Underwriter**—L. H. Wright Co., 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.

● **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.

● **Hicks-Ponder Co. (9/10-14)**

July 26, 1962 filed 185,000 common, of which 100,000 will be sold by the company and 85,000 by stockholders. **Price**—By amendment (max. \$10). **Business**—Manufacture

of men's and boys' clothing. **Proceeds**—For plant expansion and working capital. **Office**—500 West Overland Ave., El Paso, Texas. **Underwriter**—Eppler, Guerin & Turner, Inc., Dallas.

● **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**—To be named.

● **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.

● **Hydro-Swarf, Inc.**

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.

● **Index & Retrieval Systems, Inc. (8/20)**

Jan. 29, 1962 filed 125,000 common. **Price**—\$2.50. **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**—Shaw, Darr & Co., Inc., Garden City, N. Y.

● **Industry Capital Corp.**

Dec. 26, 1961 filed 500,000 common. **Price**—\$15. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—208 S. La Salle St., Chicago. **Underwriter**—A. C. Allyn & Co., Chicago. **Offering**—Indefinite.

● **Instromech Industries, Inc.**

March 30, 1962 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—A contract manufacturer of precision products. **Proceeds**—For acquisition of land and building, equipment, inventory and other corporate purposes. **Office**—4 Broadway Plaza, Huntington Station, N. Y. **Underwriter**—Price Investing Co., N. Y.

● **Instron Engineering Corp.**

March 26, 1962 filed 120,000 common. **Price**—By amendment (max. \$14). **Business**—Development and produc-

tion 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.

● **Intercontinental Management Corp.**

July 31, 1962 filed 144,500 common. **Price**—\$7. **Business**—Operation of bowling centers. **Proceeds**—For expansion, working capital and debt repayment. **Office**—19 Country Club Shopping Center, Levittown, Pa. **Underwriter**—Walnut Securities Corp., Philadelphia.

● **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 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**—Drouff, 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. **Offering**—Indefinitely postponed.

● **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 Real Estate Trust**

July 23, 1962 filed 300,000 shares. **Price**—\$10. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—30 State St., Boston. **Underwriter**—Empire Planning Corp., N. Y.

● **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. **Underwriter**—S. D. Fuller & Co., 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), Second Floor 44 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—Expected sometime in October.

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 Greenfields & Co., Inc., N. Y.

Jamoco Air Conditioning Corp.

Feb. 28, 1962 ("Reg. A") 40,000 common. Price—\$3. Business—Design, installation and maintenance of heating, plumbing and air conditioning systems. Proceeds—For inventory, equipment and other corporate purposes. Office—954 Jamaica Ave., Brooklyn, N. Y. Underwriter—Martin-Warren Co., Ltd., N. Y.

Jarcho Bros., Inc.

March 23, 1962 filed 240,000 common. Price—By amendment (max. \$12). Business—Installation of plumbing, heating, ventilation and air-conditioning systems. Proceeds—For selling stockholders. Office—38-18 33rd St., Long Island City, N. Y. Underwriter—Shearson, Hammill & Co., N. Y. Note—This offering was temporarily postponed.

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.

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.

Kaiser-Nelson Corp. (9/4-7)

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. (8/27)

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—Suplee, Yeatman, Mosley Co., Inc. and Woodcock, Moyer, Fricke & French, Inc., Philadelphia.

Keystone-Universal Industries Inc.

July 24, 1962 filed 100,000 common. Price—\$3.50. Business—Retail sale of carpets. Proceeds—For expansion and working capital. Office—4042-54 Sawmill Run Blvd., Pittsburgh. Underwriter—Strathmore Securities, Inc., Pittsburgh.

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.

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.

Kornhandler (Lou), Inc. (8/22)

July 27, 1962 ("Reg. A") 125,000 common. Price—\$2. Business—Manufacture and wholesaling of women's apparel. Proceeds—For debt repayment, equipment, sales promotion and working capital. Office—910 S. Los Angeles St., Los Angeles. Underwriter—Costello, Rusotto & Co., Beverly Hills, Calif.

Kraft (John) Sesame Corp.

May 24, 1962 filed \$225,000 of 6% conv. subord. debentures, due 1972, and 150,000 common to be offered in units consisting of a \$300 debenture and 200 shares. Price—\$900 per unit. Business—Processing and distribution of sesame seed. Proceeds—For accounts receivable, inventories, plant expansion and working capital. Office—2301 N. Main St., Paris, Texas. Underwriters—John A. Dawson & Co., and Leason & Co., Inc., Chicago.

Kreedman Realty & Construction Corp.

April 19, 1962 filed \$5,000,000 of conv. subord. debentures due 1982 and 200,000 common shares to be offered in units consisting of \$25 of debentures and one common share. Price—By amendment (max. \$27). Business—Construction and operation of office buildings. Proceeds—For debt repayment. Office—9350 Wilshire Blvd., Beverly Hills, Calif. Underwriter—Lee Higginson Corp., New York. Offering—Indefinitely postponed.

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 registration was withdrawn.

Laminetics Inc. (9/4-6)

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.

Lawter Chemicals, Inc.

Aug. 1, 1962 filed 49,721 capital shares. Price—By amendment (max. \$18). Business—Manufacture of specialized chemicals, including printing ink vehicles, coatings, and synthetic resins. Proceeds—For selling stockholders. Office—3550 Touhy Ave., Chicago. Underwriter—Blunt Ellis & Simmons, Chicago. Offering—Imminent.

Lee Fashions, Inc.

Dec. 27, 1961 filed 165,667 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. Note—This registration will be withdrawn.

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.

Lembo Corp.

Dec. 21, 1961 filed 100,000 common. Price—\$3.50. Business—Manufactures steel re-inforced concrete utilities sanitary structures, fallout shelters and play sculptures. Proceeds—For debt repayment, sales promotion and working capital. Office—145 W. 11th St., Huntington Station, L. I., N. Y. Underwriter—Blank, Lieberman & Co., Inc., N. Y.

Lesco Automotive Corp.

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.

Leslie Fay Inc. (9/4)

July 27, 1962 filed 200,000 class A shares. Price—By amendment (max. \$12). Business—Design and manufacture of women's dresses, suits and coats. Proceeds—For plant expansion, equipment and working capital. Office—1400 Broadway, N. Y. Underwriter—Shearson, Hammill & Co., N. Y.

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. (10/1)

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.

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. Offering—Indefinitely Postponed.

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.

Livestock Financial Corp. (9/4-7)

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—28 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 Boarmen Ave., Baltimore. Underwriter—R & D Investors Corp., Port Washington, N. Y.

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Logos Options, 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. Note—This company formerly called Logos Financial, Ltd.

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 Doft & Co., Inc., N. Y. Offering—Temporarily 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—To be named. 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. Note—This statement was withdrawn.

Lyntex Corp. (9/10-14)

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.

Magnetics Research Co. Inc. (9/24-28)

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.

Majestic Utilities Corp.

July 31, 1962 filed 29,000 common. Price—By amendment (max. \$4). Business—Door to door sale of merchandise and collection of the accounts receivable. Proceeds—For a selling stockholder. Office—1514 Arapahoe St., Denver. Underwriter—None.

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—108 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.

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. Note—This registration was withdrawn.

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.

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. Offering—Indefinitely postponed.

Massachusetts Electric Co. (8/27)

July 26, 1962 filed 75,000 shares of cum. preferred (par \$100). Proceeds—To redeem certain outstanding bonds, notes and preferred stock of merging companies. Office—441 Stuart St., Boston. Underwriters—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-Eastman Dillon, Union Securities & Co. (jointly); Kidder, Peabody & Co.-White, Weld & Co. (jointly); First Boston Corp. Bids—Aug. 27, 1962 (11 a.m. EDT) at company's offices. Information Meeting—Aug. 22, 1962 (11 a.m. EDT) at Irving Trust Co., One Wall St., N. Y.

Massachusetts Electric Co. (8/27)

July 26, 1962 filed \$60,000,000 of first mortgage bonds, series G, due Sept. 1, 1992. Proceeds—To redeem certain outstanding bonds, notes and preferred stock of Lynn Electric Co., Merrimack-Essex Electric Co., and Suburban Electric Co., which subsidiaries of New England Electric System, will be merged into Massachusetts Electric, also a subsidiary. Office—441 Stuart St., Boston. Underwriters—(Competitive). Probable bidders: 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). Bids—Aug. 27, 1962 (12 noon EDT) at company's offices. Information Meeting—Aug. 22, 1962 (11 a.m. EDT) at Irving Trust Co., One Wall St., N. Y.

Masters, Inc.

March 22, 1962 filed \$1,500,000 of 6% conv. subord. debentures due 1972; also 150,000 common shares, of which 80,000 will be offered by the company and 70,000 by a stockholder. The securities will be offered in units of one \$100 debenture and 10 common shares, except that up to \$700,000 of debentures and 70,000 shares may be offered separately. Price—For debentures, at par; for common, \$10. Business—Operation of discount department stores selling a wide variety of merchandise. Proceeds—For expansion. Office—135-21 38th Ave., Flushing, N. Y. Underwriters—Sterling, Grace & Co. and Norton, Fox & Co., Inc., N. Y. Offering—Indefinitely postponed.

Maxwell Industries, Inc. (8/27-29)

June 7, 1962 filed 80,000 common. Price—\$12. 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.

Merco Enterprises, Inc.

April 20, 1962 filed 104,000 common, of which 33,000 are to be offered by company and 71,000 by stockholders. Price—By amendment (max. \$7.50). Business—Sale of phonograph records through leased record departments. Proceeds—For moving expenses, working capital and general corporate purposes. Office—1692 Utica Ave., Brooklyn, N. Y. Underwriter—D. J. Singer & Co., N. Y.

Mercury Books, Inc.

Feb. 14, 1962 filed 55,000 common. Price—\$4.50. Business—Publishing of newly written popular biographies. Proceeds—For working capital. Office—1512 Walnut St., Philadelphia. Underwriter—Meade & Co., N. Y. Offering—Temporarily postponed.

Met Food Corp.

March 30, 1962 filed \$1,500,000 of convertible subordinated debentures due 1977 to be offered by company and 34,200 common by stockholders. Price—By amendment (max. \$10). Business—Distribution of food and related products to supermarkets and other retail stores in the New York Metropolitan area. Proceeds—For general corporate purposes. Office—345 Underhill Blvd., Syosset, N. Y. Underwriter—Brand, Grumet & Siegel, Inc., N. Y.

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—Eisele & King, Libraire, Stout & Co., N. Y.

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.

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.

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.

Monarch Plastics Corp.

May 28, 1962 ("Reg. A") 140,000 common. Price—\$2. Business—Manufacture and sale of plastic letters, embossed sign faces, quantity signs and boat windshields. Proceeds—For purchase of land and building, moving expenses, equipment and working capital. Office—5606 Stuebner Airline Rd., Houston. Underwriter—W. R. Sauve Co., N. Y.

Montebello Liquors, Inc.

April 5, 1962 filed 160,000 common. Price—By amendment (max. \$5). Business—Blending, bottling and marketing of alcoholic beverages. Proceeds—For equipment, inventories, advertising and working capital. Office—Bank St. & Central Ave., Baltimore. Underwriters—Street & Co., and Morris Cohon & Co., N. Y. Offering—Temporarily postponed.

Moskatel's, Inc. (9/4-7)

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.

Music Royalty Corp.

July 27, 1962 filed 150,000 common. Price—\$1. Business—Company acts as representative of artists, musicians, etc. and plans to engage in the music publishing business. Proceeds—For debt repayment, public relations, acquisition of musical properties, and working capital. Office—545 Fifth Ave., N. Y. Underwriter—Associated Securities Co., 545 Fifth Ave., N. Y.

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. Underwriter—Crichton, Cherashore, Cundy, Inc., New York. Note—This letter will be withdrawn.

National Equipment & Plastics Corp.

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. Underwriter—Cortlandt Investing Corp., N. Y. Offering—Indefinitely postponed.

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.).

National Telepix, Inc.

July 30, 1962 filed \$150,000 of 6½% conv. subord. debentures due 1972. Price—At par. Business—Production of motion pictures. Proceeds—For production and distribution expenses and working capital. Office—1270 Ave. of the Americas, N. Y. Underwriter—None.

National Uni-Pac, Inc.

July 31, 1962 filed 85,000 common. Price—By amendment (max. \$4). Business—Company plans to sell or lease coin operated vending machines. Proceeds—For debt repayment, equipment and working capital. Office—15 Peachtree St., Atlanta. Underwriter—Drourr, Lampert & Co., Inc., N. Y.

Nevada Power Co. (8/30)

July 30, 1962 filed 100,000 cumulative pfd. shares (par \$20). Price—By amendment (max. \$20.75). Business—Company furnishes electric service to communities in southern and northeastern Nevada. Proceeds—For repayment of bank loans, and construction. Office—Fourth St., and Stewart Ave., Las Vegas. Underwriter—White, Weld & 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.

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. Offering—Indefinitely postponed.

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.

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.

Northeastern Plastics, Inc.

July 26, 1962 ("Reg. A") \$100,000 of 6½% conv. subord. debentures due 1972 and 25,000 common shares to be offered in units of \$100 of debentures and 25 shares. Price—\$200 per unit. Business—Manufacture of compression plastics. Proceeds—For moving expenses and other corporate purposes. Office—98 Front St., Brooklyn, N. Y. Underwriters—Reuben, Rose & Co., Inc., and M. G. Hill & Co., N. Y.

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.

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. (9/4-7)

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.

Old Line Life Insurance Co. of America

July 30, 1962 filed 109,408 common. Price—By amendment (max. \$35). Business—Writing of life, accident and health insurance. Proceeds—For selling stockholders. Office—707 N. 11th St., Milwaukee. Underwriter—J. C. Bradford & Co., Nashville.

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—Glanis & Co., Inc. and Jed L. Hamburg Co., N. Y. Offering—Indefinitely postponed.

Optec, Inc. (9/17-21)

Dec. 26, 1961 filed 160,000 common. Price—\$3. Business—Research, development and fabrication of materials used in optical electronics. Proceeds—For equipment and working capital. Office—246, Main St., Chatham, N. J. Underwriters—Stone, Ackerman & Co., Inc., and Heritage Equity Corp., N. Y.

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.

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 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—Kidder, Peabody & Co., Inc., N. Y.

Pak-Well Paper Industries, Inc.

March 30, 1962 filed 150,000 class A common. Price—By amendment (max. \$13). Business—Manufacture of envelopes, packaging materials of various kinds, wrapping paper, stationery, and school supplies. Proceeds—For selling stockholders. Office—198 W. Alameda, Denver. Underwriter—Francis I. du Pont & 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. Note—This registration was withdrawn.

Pan American Beryllium Corp.

Feb. 28, 1962 filed 100,000 common. Price—\$5. Business—Company plans to mine for beryl ore in Argentina. Proceeds—For debt repayment, equipment, and other corporate purposes. Office—39 Broadway, N. Y. Underwriter—To be named.

PanAm Realty & Development Corp.

March 12, 1962 filed 400,000 class A stock. Price—\$10. Business—A real estate holding and development company. Proceeds—For general corporate purposes. Office—70 N. Main St., Freeport, L. I., N. Y. Underwriter—To be named.

Papert, Koenig, Lois, Inc.

May 10, 1962 filed 100,000 class A shares. Price—By amendment (max. \$8). Business—An advertising agency. Proceeds—For selling stockholders. Office—9 Rockefeller Plaza, N. Y. Underwriters—Andresen & Co. and Oppenheimer & Co., N. Y.

Paragon Pre-Cut Homes, Inc.

Aug. 25, 1961 filed 112,500 common. Price—By amendment. Business—Sale of pre-cut (finished) homes. Proceeds—For working capital. Office—499 Jericho Turnpike, Mineola, N. Y. Underwriter—A. T. Stamm & Co., N. Y. Note—This statement was withdrawn.

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") 26,000 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.

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.

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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).

Pennsylvania Power Co. (9/5)
July 19, 1962 filed \$12,000,000 of first mortgage bonds due 1992. **Proceeds**—For redemption of \$8,000,000 of outstanding 5% first mortgage bonds due 1987, and construction. **Office**—19 East Washington St., New Castle, Pa. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.—White, Weld & Co.—Equitable Securities Corp.—Shields & Co. (jointly); Lehman Brothers—Eastman Dillon, Union Securities & Co.—Salomon Brothers & Hutzler-Ladenburg, Thalman & Co. (jointly); First Boston Corp.—Blyth & Co. (jointly). **Bids**—Expected Sept. 5, 1962 at First National City Bank, 55 Wall St., N. Y. **Information Meeting**—Aug. 29 (3:45 p.m.) at 15 William St., 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.

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 Chocolate Co.
July 20, 1962 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Manufacture of confections. **Proceeds**—For debt repayment. **Office**—3150 Janney St., Philadelphia. **Underwriter**—S. Schramm & Co., Inc., N. Y.

Playboy Clubs International, Inc. (9/17-21)
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.

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.

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

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.

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.

Public Service Co. of Colorado (9/6)
Aug. 7, 1962 filed 1,242,822 common, to be offered for subscription by stockholders on the basis of one new share for each 10 common shares held of record Sept. 6, with rights to expire Sept. 24. **Price**—By amendment (max. \$24). **Business**—Furnishing of electricity and natural gas within State of Colorado, principally in and around Denver. **Proceeds**—For construction. **Office**—550 15th St., Denver. **Underwriters**—First Boston Corp.—Blyth & Co., Inc.—Smith, Barney & Co., N. Y. (jointly).

Public Service Electric & Gas Co. (8/21)
July 26, 1962 filed \$40,000,000 of first and refunding mortgage bonds due Aug. 1, 1992. **Proceeds**—For construction, and other corporate purposes. **Office**—80 Park Place, Newark, N. J. **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. EDT) at company's offices. **Information Meeting**—Aug. 16 (2 p.m. EDT) at One Chase Manhattan Plaza, (Room B, 28th Floor), N. Y.

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.

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.

REDM 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.
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.
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. **Offering**—Temporarily postponed.

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. (9/14)
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.

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.

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.

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.

Roadcraft Corp.
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. **Offering**—Expected sometime in September.

Royaltone Photo Corp.
Nov. 29, 1961 filed 300,000 common, of which 100,000 are to be offered by the company and 200,000 by stockholders. **Price**—By amendment. **Business**—Develops and prints color, and black and white photographic film. **Proceeds**—For equipment and working capital. **Office**—245 7th Ave., N. Y. **Underwriter**—Federman, Stonehill & Co., N. Y. **Offering**—Indefinitely postponed.

Royalty Stores, Inc.
May 29, 1962 filed 75,000 common. **Price**—\$3.75. **Business**—Operation of discount stores and wholesale distribution of general merchandise. **Proceeds**—For expansion, advertising, and other corporate purposes. **Office**—10 Charles St., Floral Park, N. Y. **Underwriter**—R. P. Raymond & Co., Inc., 26 Broadway, N. Y.

Ruby Silver Mines, Inc.
Jan. 2, 1962 ("Reg. A") 2,400,000 common. **Price**—12½ cents. **Business**—Exploration and development of mineral deposits. **Proceeds**—For debt repayment and general corporate purposes. **Address**—Box 1088, Wallace, Idaho. **Underwriter**—Pennaluna & Co., Spokane, Wash.

Sage International Inc. (8/20-24)
April 30, 1962 filed 100,000 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.

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. **Offering**—Temporarily postponed.

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.

Saw Mill River Industries, Inc.

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. **Offering**—Expected in September.

Sawyer's Inc. (9/4-7)

March 26, 1962 filed \$1,250,000 of 6% convertible debentures due 1977; also 100,000 outstanding capital shares. **Price**—By amendment. **Business**—Manufacture and distribution of stereo photographs and viewers. **Proceeds**—(Debentures) For working capital; (Stock) For selling stockholders. **Address**—Portland, Ore. **Underwriters**—Straus, Blosser & McDowell, Chicago, and Dempsey-Tegeler & Co., Inc., St. Louis.

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 266,158 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**—Expected in early September.

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 Kneze, McLarrin & Duddleston, Jackson, Miss. **Note**—This registration was withdrawn.

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**—202 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 Land Co.

July 25, 1962 filed 200,000 class A common. **Price**—By amendment (max. \$2.50). **Business**—Ownership and development of real estate. **Proceeds**—For working capital. **Office**—912 Thayer Ave., Silver Spring, Md. **Underwriter**—North American Seaboard Securities Corp., (same address).

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.

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. **Offering**—Expected sometime in September.

Security International Corp.

July 27, 1962 filed 548,000 common. **Price**—\$2.50. **Business**—Company plans to become a holding company for a life insurance concern. **Proceeds**—For capitalization of subsidiary. **Office**—127 W. Main Ave., West Fargo, N. D. **Underwriter**—Investment Brokerage Corp., Fargo, N. D.

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. (9/4-7)

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.

Shin Mitsubishi Jukogyo K. K. (9/18)

June 29, 1962 filed \$10,000,000 of convertible debentures due Sept. 30, 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.

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**—Postponed.

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.

Oct. 30, 1961 filed 550,000 common. **Price**—By amendment. **Business**—Distribution of coin-operated insurance vending machines to brokers at sporting centers. **Proceeds**—For inventory, advertising and working capital. **Office**—420 Lexington Ave., N. Y. **Underwriter**—Pacific Coast Securities Co., San Francisco. **Note**—This firm formerly was named National Vending Ski Insurance Corp.

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.

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. **Note**—This registration will be withdrawn.

Spee Dee Service Systems, Inc.

June 29, 1962 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—A messenger and parcel delivery service. **Proceeds**—For general corporate purposes. **Office**—309 Fourth Ave., Pittsburgh. **Underwriter**—Franke, Joseph & Co., Inc., N. Y.

Spencer Chemical Co. (9/10)

July 27, 1962 filed 65,813 common shares. **Price**—By amendment (max. \$35). **Business**—Production of polyethylene, and the mining of bituminous coal. **Proceeds**—For selling stockholders. **Office**—610 Dwight Bldg., Kansas City, Mo. **Underwriter**—Morgan Stanley & Co., New York.

Sperti Products, Inc.

Nov. 29, 1961 filed 230,000 common of which 200,000 are to be offered by the company and 30,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of drug and food products, electrical and electronic devices and precision machinery. **Proceeds**—For the purchase of cer-

tain patents, repayment of debt, and working capital. **Office**—730 Grand St., Hoboken, N. J. **Underwriter**—Blair & Co., N. Y. **Offering**—Expected in early Fall.

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. **Offering**—Expected sometime in October.

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.

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. (9/18-20)

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. (9/4-7)

Jan. 5, 1962 filed 105,000 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., New York.

(M.) Stephens Mfg. Co., Inc. (8/29-31)

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.

Sterling Copper Corp.

Aug. 2, 1962 filed 850,000 common. **Price**—\$1. **Business**—Company plans to operate a non-ferrous rod and tube mill. **Proceeds**—For plant and equipment, working capital and other corporate purposes. **Office**—300 Horn Rd., Pinconning, Mich. **Underwriter**—None.

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. (9/10-14)

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. **Note**—This statement was withdrawn.

Tabach Industries, Inc. (9/17)

March 29, 1962 ("Reg. A") 50,000 common. **Price**—\$6. **Business**—Manufacture and sale of women's wear. **Proceeds**—For debt repayment, leasehold improvements and expansion. **Office**—217 E. Eight St., Los Angeles, Calif. **Underwriter**—Costello, Russotto & Co., 9301 Wilshire Blvd., Beverly Hills, Calif.

Tactair Fluid Controls, Corp.

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.

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● 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. Note—This registration was withdrawn.

Texas Plastics, Inc.

July 27, 1962 filed 313,108 common. Price—\$3.50. Business—Operation of a plant producing plastic film and packaging products. Proceeds—For working capital. Address—Elsa, Texas. Underwriter—Crow, Brouman & Chatkin, Inc., N. Y.

● 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 registration was withdrawn.

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. Note—This registration will be withdrawn.

Top Dollar Stores, Inc.

May 1, 1962 filed 200,000 common, of which 100,000 are to be offered by company and 100,000 by stockholders. Price—\$5. Business—Operation of a chain of self-service retail stores selling clothing, housewares, etc. Proceeds—For expansion, equipment and working capital. Office—2220 Florida Ave., Jasper, Ala. Underwriter—Philips, Appel & Walden, 115 Broadway, 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.

Tourist Industry Development Corp. Ltd.

Aug. 3, 1962 filed \$5,000,000 of 7% senior debenture stock due 1962. Price—At par. Business—Company was organized by the State of Israel to furnish financing to tourist enterprises. Proceeds—For general corporate purposes. Address—Jerusalem, Israel. Underwriter—American-Israel Basic Economy Corp., N. Y.

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. (9/5)

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. Bids—Expected Sept. 5.

Trans-Western Service Industries

April 2, 1962 filed 100,000 common, of which 20,000 are to be offered by company and 80,000 by stockholders. Price—By amendment (max. \$10). Business—Operation of dry cleaning and laundry plants. Proceeds—For debt repayment. Office—1167-65th St., Oakland, Calif. Underwriter—Granbery, Marache & Co., N. Y.

Transarizona Resources, Inc.

May 28, 1962 filed 500,000 capital shares. Price—\$1.50. Business—Exploration, development and production of the Lake Shore copper deposit near Casa Grande, Ariz. Proceeds—For equipment, exploration and working capital. Office—201 E. 4th St., Casa Grande, Ariz. Underwriter—None.

Tremco Manufacturing Co.

Feb. 26, 1962 filed 150,000 class A common. Price—By amendment (max. \$15). Business—Producer of protective coatings, sealants, mastics, paints, etc. Proceeds—For selling stockholders. Office—10701 Shaker Blvd., Cleveland. Underwriter—McDonald & Co., Cleveland. Offering—Temporarily postponed.

★ Tri-Nite Mining Co.

July 31, 1962 ("Reg. A") 400,000 common. Price—50 cents. Business—Mining. Proceeds—For General Corporate purposes. Office—405 Fidelity Bldg., Spokane. Underwriter—None.

Tujax Industries, Inc.

Mar. 23, 1962 filed 150,000 class A shares, of which 100,000 are to be offered by company and 50,000 by stockholders. Price—\$8. Business—Through its subsidiaries the company is engaged in the wholesale distribution of electrical supplies and equipment. Proceeds—For debt repayment and working capital. Office—514 E. 73rd St., N. Y. Underwriters—Richard Bruce & Co., Inc., and Reuben Rose & Co., Inc., N. Y.

Tull (J. M.) Metal & Supply Co., Inc.

May 17, 1962 ("Reg. A") 25,000 common. Price—\$12. Business—Wholesale distribution of ferrous and non-ferrous metals and industrial supplies. Proceeds—For working capital. Office—285 Marietta St., N. W., Atlanta. Underwriters—Wyatt, Neal & Waggoner, and Robinson-Humphrey Co., Inc., Atlanta.

Turbodyne Corp.

March 2, 1962 filed 127,500 common. Price—\$5. Business—Research, development and production and overhauling of gas turbine engines. Proceeds—For debt repay-

ment, research and development, a new plant and working capital. Office—1346 Connecticut Avenue, N. W., Washington, D. C. Underwriter—Sandkuhl & Co., Inc., 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.

United Markets Inc.

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. Note—This registration will be withdrawn.

United Telephone Services, Inc.

March 30, 1962 filed 150,000 class A common. Price—By amendment (max. \$5). Business—A telephone holding company. Proceeds—For debt repayment, equipment and working capital. Office—645 First Ave., N. Y. Underwriter—J. R. Williston & Beane, N. Y. Offering—Postponed.

United Variable Annuities Fund, Inc.

April 11, 1961 filed 2,500,000 shares of stock. Price—\$10 per share. Business—A new mutual fund. Proceeds—For investment. Office—20 W. 9th Street, Kansas City, Mo. Underwriter—Waddell & Reed, Inc., Kansas City, Mo.

★ United Wholesale Druggists of Fort Worth, Inc.

Aug. 1, 1962 ("Reg. A") 1,671 common. Price—\$50. Business—Wholesale distribution of drug products. Proceeds—For working capital. Office—70 Jennings Ave., Fort Worth. Underwriter—None.

Urban America Real Estate Trust

Aug. 2, 1962 filed 400,000 shares of beneficial interest. Price—\$6. Business—A real estate investment trust. Proceeds—For debt repayment and investment. Office—510 Fleming Bldg., Des Moines. Underwriter—Conway Brothers, Inc., Des Moines.

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 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. Offering—Imminent.

● 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. Offering—Imminent.

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.

● Va'u-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—To be named.

Vendex, Inc.

Jan. 12, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Manufacture of coin operated vending machines. Proceeds—For an acquisition and general corporate purposes. Office—1290 Bayshore Blvd., Burlingame, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

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, catalogs 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.

Vide 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.

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. (8/28)

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.

Washington Trotting Association, Inc.

July 30, 1962 filed \$2,300,000 of 6½% subordinated sinking fund debentures due 1977, and 230,000 common shares (non-voting) to be offered in units consisting of \$100 of debentures and 10 shares. Price—\$175 per unit. Business—Company plans to construct a race track for trotters. Proceeds—For construction. Office—Washington Trust Bldg., Washington, Pa. Underwriters—Moore, Leonard & Lynch, Pittsburgh, and Stroud & Co., Inc., Philadelphia.

Waterman Steamship Corp.

Aug. 29, 1961 filed 1,743,000 common. Price—By amendment. Business—The carrying of liner-type cargoes. Proceeds—For the purchase of vessels, and working capital. Office—71 Saint Joseph St., Mobile, Ala. Underwriter—Shields & Co., Inc., N. Y. (mgr.). Offering—Temporarily postponed.

Welcome Baby, Inc.

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. (9/4-7)

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.

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 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.

Wheeler & Ryan, Inc.

July 30, 1962 filed 80,000 common. Price—\$12.50. Business—Acquisition of leases and production of oil and gas. Proceeds—For repayment of debt and other corporate purposes. Office—Thompson Bldg., Tulsa. Underwriter—R. J. Edwards, Inc., Oklahoma City.

Whirlpool Corp.

April 25, 1962 filed 1,000,000 common. Price—By amendment (max. \$30.125). Business—Manufacture and sale of home appliances. Proceeds—For selling stockholder (Radio Corp. of America). Address—Benton Harbor, Mich. Underwriter—Lehman Brothers, N. Y. Note—This offering was indefinitely postponed.

White Photo Offset, Inc.

July 13, 1962 filed 100,000 common. Price—\$3.50. Business—Photo-offset printing. Proceeds—For debt repayment, equipment and working capital. Office—142 W. 26th St., N. Y. Underwriter—K-Pac Securities Corp., New York. Offering—Expected sometime in October.

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.

Wiegand (Edwin L.) Co.

March 30, 1962 filed 606,450 common. Price—By amendment. Business—Manufacture of electrical heating elements for industrial, commercial and household applications. Proceeds—For selling stockholders. Office—7500 Thomas Blvd., Pittsburgh. Underwriters—Eastman Dillon, Union Securities & Co., N. Y., Moore, Leonard & Lynch, Pittsburgh and Reinholdt & Gardner, St. Louis. Offering—Temporarily postponed.

Wiener Shoes Inc.

April 2, 1962 filed 80,000 common. Price—By amendment (max. \$11). Business—Operation of a chain of shoe stores. Proceeds—For debt repayment, expansion and working capital. Office—808 Dakin St., New Orleans. Underwriter—Howard, Weil, Labouisse, Friedrichs & Co., New Orleans.

Wiggins Plastics, Inc.

Oct. 20, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Custom compression, transfer and injection molding of plastic materials. Proceeds—For debt repayment and general corporate purposes. Office—180 Kingsland Rd., Clifton, N. J. Underwriters—Leib, Sklout & Co., Inc., Clifton, N. J. Note—This letter was withdrawn.

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—To be named.

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. (8/27-31)

March 5, 1962 filed 100,000 common. Price—By amendment (max. \$6.50). Business—Processing and manufacturing of aluminum building products. Proceeds—For a new building and equipment. Office—1650 Howard St., Lincoln Park, Mich. Underwriter—F. J. Winckler & Co., Detroit.

Work Wear Corp.

Mar. 26, 1962 filed 130,000 common. Price—By amendment (max. \$27). Business—Manufacture and sale of work clothing. Company is also engaged in industrial laundering and garment rental. Proceeds—For debt repayment, acquisitions and working capital. Office—1768 E. 25th St., Cleveland. Underwriter—Hornblower & Weeks, N. Y. Offering—Temporarily postponed.

World Scope Publishers, Inc.

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, Lyubrook N. Y. Underwriter—Standard Securities Corp., N. Y. Note—This registration will be withdrawn.

Worth Financial Corp. (8/29-31)

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. (8/20-24)

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.

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.

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Prospective Offerings**Adley Corp.**

May 17, 1962 the company applied to the ICC for authority to issue 105,000 \$2 par common shares. Price—By amendment (min. \$10). Business—A motor vehicle common carrier operating in 13 eastern states. Proceeds—For working capital. Office—New Haven, Conn. Underwriter—Eastman Dillon, Union Securities & Co., New York.

★ Biologics International Inc.

Aug. 15, 1962 it was reported that this company plans to file a registration statement covering 125,000 common shares. Price—\$3. Business—Company plans to breed and supply animals for biological research purposes. Proceeds—For general corporate purposes. Office—7520 Bergenline Ave., North Bergen, N. J. Underwriter—To be named.

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).

Columbia Gas System, Inc.

Aug. 1, 1962 it was reported that the company plans to sell \$25,000,000 of debentures or bonds in October. 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.

Columbus Capital Corp.

Dec. 11, 1961 it was reported that this newly formed Small Business Investment Co., plans to sell \$10 to \$20 million of common stock in the late spring. Office—297 South High St., Columbus, O. Underwriter—To be named.

Consumers Power Co.

June 14, 1962 it was reported that this company plans to sell about \$40,000,000 of securities, probably first mortgage bonds in the 4th quarter. Proceeds—For construction. Office—212 West Michigan Ave., Jackson, Mich. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.-Shields & Co. (jointly); Harriman Ripley & Co. Inc.-First Boston Corp. (jointly); Morgan Stanley & Co.

Delaware Power & Light Co.

March 9, 1962 it was reported that the company has postponed until early Spring of 1963 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Dec. 31, 1961, the sale would involve about 418,536 shares. Proceeds—For construction. Office—600 Market St., Wilmington, Del. Underwriters—(Competitive). Probable bidders: Carl M. Loeb, Rhoades & Co.; W. C. Langley & Co.-Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co.-Shields & Co. (jointly); Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Florida Power Co.

March 19, 1962 it was reported that this company plans to offer stockholders the right to subscribe for about 457,265 additional common shares on a 1-for-20 basis. Office—101 Fifth St., South St. Petersburg, Fla. Underwriters—To be named. The last rights offering of common on May 4, 1959 was underwritten by Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y. Offering—Expected in October, 1962.

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.

Hawaiian Electric Co., Ltd.

Aug. 1, 1962 it was reported that this company plans a rights offering to stockholders of approximately \$8,000,000 of common stock. Office—900 Richards St., Honolulu. Underwriter—None. Offering—Expected in September.

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).

Interstate Power Co.

Aug. 1, 1962 it was reported that the company plans to sell \$6,000,000 of bonds in the second quarter of 1963. Office—1000 Main St., Dubuque, Iowa. Underwriters—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler; White, Weld & Co.

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. (11/13)

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. Bids—Expected Nov. 13, 1962 at 80 Pine St., N. Y. Information Meeting—Nov. 9, 1962 at same address.

Kentucky Utilities Co.

Aug. 1, 1962 it was reported that this utility plans to sell approximately \$15,000,000 of 30-year first mortgage bonds, in the first quarter of 1963. Office—120 So. Limestone St., Lexington, Ky. Underwriters—(Competitive). Probable bidders: Blyth & Co., Inc.; Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.-White, Weld & Co. (jointly); Eastman Dillon, Union Securities & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Louisville & Nashville RR. (8/22)

July 31, 1962 it was reported that this road plans to sell approximately \$7,275,000 of 1-15 year equipment trust certificates. Office—220 E. 42nd St., N. Y. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. Bids—Expected Aug. 22 (12 noon EDT) at company's office.

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Maust Coal & Coke Corp.

Aug. 6, 1962 it was reported that this company plans to file a registration shortly covering \$5,000,000 of debentures due 1977. The statement would also cover 250,000 outstanding shares of common to be sold by J. R. Maust, President and Chairman. **Business**—Mining and processing of coal. **Proceeds**—For construction of new coal preparation facilities at Johnstown, Pa. **Office**—530 Fifth Ave., New York. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

Metropolitan Edison Co. (11/27)

Aug. 1, 1962 it was reported that this subsidiary of General Public Utilities Corp., plans to sell \$15,000,000 of 30-year first mortgage bonds, in the fourth quarter of 1962. **Office**—2800 Pottsville Pike, Muhlenburg Township, Berks County, Pa. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co.-Drexel & Co. (jointly); Blyth & Co., Inc. **Bids**—Expected Nov. 27, 1962. **Information Meeting**—Scheduled for Nov. 21.

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. Kidder, Peabody & Co.-White, Weld & Co. (jointly); Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.-Lehman Brothers-Equitable Securities Corp. (jointly); First Boston Corp.; Kuhn, Loeb & Co.

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.

Oklahoma Gas & Electric Co.

Aug. 1, 1962 it was reported that this company plans to sell \$12,000,000 of 30-year first mortgage bonds, in the second quarter of 1963. **Office**—321 No. Harvey St., Oklahoma City. **Underwriters**—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-White, Weld & Co. (jointly); Halsey, Stuart & Co. Inc.; Lehman Brothers-Blyth & Co. Inc. (jointly); First Boston Corp.; Harriman Ripley & Co., Inc.-Eastman Dillon, Union Securities & Co. (jointly); Equitable Securities Corp.

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. (10/24)

Aug. 15, 1962 it was reported that this company expects to sell about \$60,000,000 of debentures and \$20,000,000 of preferred. **Office**—120 Broadway, N. Y. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., N. Y.

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).

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.

South Carolina Electric & Gas Co.

Aug. 1, 1962 it was reported that the company plans a rights offering to stockholders of approximately \$8,500,000 of common stock. **Office**—328 Main St., Columbia, S. C. **Underwriter**—To be named. The last rights offering in February, 1958, was underwritten by Kidder, Peabody & Co., N. Y. **Offering**—Expected in the first quarter of 1963.

Southern California Edison Co.

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. **Underwriters**—(Competitive). Probable bidders: Blyth & Co., First Boston Corp.-Dean Witter & Co. (jointly); Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.-Equitable Securities Corp. (jointly). **Note**—The bond sale, previously scheduled for Aug. 28, has been postponed.

Southern Electric Generating Co. (11/28)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$6,500,000 30-year first mortgage bonds in November. **Office**—600 N. 18th St., Birmingham, Ala. **Underwriters**—(Competitive) Probable bidders: First Boston Corp.; Halsey Stuart & Co., Inc.; White, Weld & Co.-Kidder, Peabody & Co. (jointly) Merrill Lynch, Pierce, Fenner & Smith Inc.-Blyth & Co., Inc. (jointly); Eastman Dillon, Union Securities & Co.-Equitable Securities Corp.-Drexel & Co. (jointly); Morgan Stanley & Co. **Bids**—Expected Nov. 28. **Registration**—Scheduled for Nov. 1.

Southern Railway Co. (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).

★ Southern Union Gas Co.

Aug. 15, 1962 it was reported that this utility plans a rights offering of \$10,000,000 of convertible preferred stock in the first quarter of 1963. **Office**—1507 Pacific Ave., Dallas. **Underwriters**—To be named. The last rights offering of preferred stock in April 1959 was handled by Snow, Sweeny & Co., Inc., N. Y., and A. C. Allyn & Co., Chicago.

Washington Gas Light Co.

Aug. 1, 1962 it was reported that this company plans to sell \$12,000,000 of 25-year bonds, in the second quarter of 1963. **Office**—1100 H. St., N. W., Washington, D. C. **Underwriters**—(Competitive). Probable bidders: Eastman Dillon, Union Securities & Co.; Equitable Securities Corp.; Kidder, Peabody & Co.; First Boston Corp.; Halsey, Stuart & Co. Inc.

Western Light & Telephone Co., Inc.

Aug. 1, 1962 it was reported that the company plans to sell approximately \$5,000,000 of common stock through a rights offering to stockholders, in the second quarter of 1963. **Office**—2015 Forest Ave., Great Bend, Kan. **Underwriter**—To be named. The last rights offering in January, 1957, was underwritten by Dean Witter & Co., San Francisco.

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.

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MAIL SERVICE
PROGRAM

Joins Gage-Wiley

(Special to THE FINANCIAL CHRONICLE)

SPRINGFIELD, Mass. — Blake S. Jackson has become affiliated with Gage-Wiley & Co., Inc., Third National Bank Building. He was formerly with Francis I. du Pont & Co., and Schirmer, Atherton & Co.

Now Samson, Roberts

The firm name of Samson, Graber & Co., Inc., 39 Broadway, New York City, has been changed to Samson, Roberts & Co., Inc.

Saunders, Stiver Branch

LORAIN, Ohio—Saunders, Stiver & Co. has opened a branch office in the O'Neil-Sheffield Shopping Center under the management of George Dobra.

Inv. Planning Associates

CORSICANA, Tex.—Investment Planning Associates has been formed with offices at First National Bank Building to engage in a securities business. Officers are John R. Crawford, President; B. L. Robinson, Secretary and Treasurer. Both were formerly with William B. Robinson & Co.

Stanton-Lewis Office

WHITE PLAINS, N. Y.—Stanton-Lewis and Company has opened a branch office at 100 Mamaroneck Avenue under the direction of Richard J. Dunn.

New Staats Office

SHERMAN OAKS, Calif.—William R. Staats & Co. has opened a branch office at 50 Fashion Square, under the direction of Robert L. McManus.

Form Equitable Secs.

NEWARK, N. J.—Equitable Securities Co. has been formed with offices at 9 Clinton St., to engage in a securities business specializing in real estate syndications.

Steven Mayer Branch

Steven Mayer & Company has opened a branch office at 11 Broadway, New York City, under the direction of Steven Mizel.

A. V. Kelleher Opens

BOSTON, Mass.—Andrew V. Kelleher is conducting a securities business from offices at 50 State St., under the firm name of Andrew V. Kelleher Co.

The State of TRADE and INDUSTRY

Continued from page 5

in comparative rates during the month.

When steel inventories do stabilize, shipments are likely to rise at the rate of one million tons a month until production matches rate of use. How long this increase lasts is up to the general economy.

Production of 1962 Car Models Attains Highest Volume Since 1955 Peak Year

Ward's Automotive Reports on Aug. 10 reported that more than 7,000,000 passenger cars of '62 model design have thus far been assembled in U. S. and Canadian plants by the five principal North American auto makers.

The statistical agency said that nearly 6,675,000 cars will have been built in the U. S. during the model year, which had already been ended Aug. 14 with the final build-out of Ford Motor Co. Cars.

The model year in Canada terminated a week ago. Some 395,000 cars built in that country during the period was an all-time high. Canadian car production in '61 and '60 model years was at the 300,000-unit level.

The U.S. total will be second-best only to 7,130,037 cars made in the '55 model year, but will include record output for some of the industry's individual makes. Chevrolet division of General Motors posted the highest model run total in automotive history, making more than 2,000,000 cars in the model year.

Output in the U. S. for the week ended Aug. 11, confined to General Motors and Ford, was at the lowest level of the year as the two companies "phased-out" the year's operations at a total of 30 plants. Two Ford and four GM plants ended '62 output last week.

Meanwhile, production of '63 model cars is slated to begin this week at five of six Chrysler Corp. plants. Studebaker Corp., first to end its '62 run, has been producing its '63 Avanti at South Bend in limited numbers for the past month. American Motors, at Kenosha (Wis.), will recall many of its production workers, commencing regular assembly operations on '63s within another week.

Carloadings Off 3.4% From 1961 Week's Total

Loading of revenue freight in the week ended Aug. 4 totaled 568,424 cars, the Association of American Railroads announced. This was an increase of 1,293 cars or two-tenths of 1% above the preceding week.

The loadings represented a decrease of 19,845 cars or 3.4% below the corresponding week in 1961, and a decrease of 26,020 cars or 4.4% below the corresponding week in 1960.

There were 13,431 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended July 28, 1962 (which were included in that week's overall total). This was an increase of 2,416 cars or 21.9% above the corresponding week of 1961 and 2,114 cars or 18.7% above the 1960 week.

Cumulative piggyback loadings for the first 30 weeks of 1962 totaled 395,791 cars for an increase of 68,022 cars or 20.8% above the corresponding period of 1961, and 79,825 cars or 25.3% 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 55 in the corresponding week in 1960.

Intercity Truck Tonnage Shows 2.8% Gain Over 1961 Week

Intercity truck tonnage in the week ended Aug. 4 was 2.8% ahead of the volume in the corresponding week of 1961, the American Trucking Associations announced. Truck tonnage was

3.2% 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.

Electric Output 6.7% Higher Than in 1961 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Aug. 11, was estimated at 17,159,000,000 kwh., according to the Edison Electric Institute. Output was 594,000,000 kwh., above that of the previous week's total of 16,565,000,000 kwh. and 1,079,000,000 kwh., or 6.7% above that of the comparable 1961 week.

Lumber Output Rises 3.8% Above 1961 Level

Lumber production in the United States in the week ended Aug. 4, totaled 229,626,000 board feet compared with 233,722,000 in the prior week according to reports from regional associations. A year ago the figure was 221,214,000 board feet.

Compared with 1961 levels, output advanced 3.8%, shipments were 2.3% higher, and orders fell 1.7%.

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

| | Aug. 4, 1962 | July 28, 1962 | Aug. 5, 1961 |
|------------|--------------|---------------|--------------|
| Production | 229,626 | 233,722 | 221,214 |
| Shipments | 227,688 | 245,268 | 222,566 |
| New orders | 221,634 | 231,922 | 225,370 |

Wholesale Food Price Index Edges Up for Fourth Week

Continuing a fractional upward climb for the fourth consecutive week, the Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., inched up 0.2% to \$5.94 on August 14. However, it remained lower by 0.8% than a year ago when \$5.99 was chalked up for the corresponding date.

Substantially higher at wholesale this week were quotations for eggs, potatoes and steers, and smaller increases appeared in corn, rye, oats, and sugar prices as well. Counterbalancing these advances were declines in wheat, hams, bellies, cottonseed oil, cocoa, raisins, prunes and hogs.

The 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.

Wholesale Commodity Price Index Higher, But Still Below Last Year

Although the general wholesale commodity price level slipped through most of last week, it edged up again on Aug. 13, extending its slight week-to-week rise for the ninth straight time. Substantial gains from the preceding Monday in prices at wholesale for silver, steers, corn and rye offset by a narrow margin declines in an equal number of commodities, including appreciable drops in tin and wheat.

On August 13, the Daily Wholesale Commodity Price Index inched up to 272.25 from 272.22 in the prior week and from 271.62 in the corresponding week of July. But, it fell considerably below the comparable year-ago level of 274.01 on the similar day of 1961.

Business Failures Steady in Latest Week

Holding even in the week ended Aug. 9, commercial and industrial failures totaled 306, about the same as in the preceding week when they stood at 310, reports Dun & Bradstreet, Inc. Although appreciably lower than the year-ago toll of 343 in the similar week,

casualties about equalled the 308 occurring in 1960 and were 21% heavier than the pre-war level of 252 in 1939.

There was little change in the liability size of failures during the week. Those with losses topping \$100,000 numbered 43 as against 44 (revised) a week earlier but were substantially above the 28 of this size last year. On the other hand, casualties involving liabilities under \$100,000 stood at 263 as compared with 266 (revised) in the prior week but remained considerably lower than the 315 a year ago.

Weather Sparks Retail Fall Purchases

Consumer interest in fall goods continued to mount in the week ended this Wednesday and held total retail sales at a moderately higher level than in the comparable period last year. Cool temperatures and even some rainy days appeared to encourage buying of women's fall apparel and children's school clothing. August white sales were maintaining a good pace, and an active volume was maintained in furniture although activity was uneven in appliances and some furnishings. Buying eased a little in men's wear, garden supplies and autos.

The total dollar volume of retail trade in the week ended this Wednesday 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 -1 to +3; Middle Atlantic, West North Central, and Mountain 0 to +4; East North Central and East South Central +1 to +5; West South Central +3 to +7; South Atlantic and Pacific +4 to +8.

Nationwide Department Store Sales Up 3% From 1961 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported a 3% advance for the week ended Aug. 4, 1962, compared with the like period in 1961. For the week ended July 28, sales were ahead by 6% from the corresponding 1961 week. In the four-week period ended Aug. 4, 1962, sales advanced 6% over the corresponding period in 1961.

According to the Federal Reserve System department store sales in New York City for the week ended Aug. 4, were 3% higher when compared with the same period in 1961.

L. A. Robins Opens

IRVINGTON, N. J.—Louis A Robins has opened offices at 139 Nesbit Terrace to engage in a securities business under the firm name of Robins & Co.

Now Gardner, Stanley

LOS ANGELES, Calif.—The firm name of Harnack, Gardner & Co., 3932 Wilshire Boulevard, has been changed to Gardner, Stanley and Harris, Inc.

With Shearson, Hammill

(Special to THE FINANCIAL CHRONICLE)
SAN FRANCISCO, Calif.—Delyn R. Werner is now connected with Shearson, Hammill & Co., 340 Sutter Street. He was formerly with Paine, Webber, Jackson & Curtis.

Forms Joosten-Dowd Co.

Antonia Joosten-Dowd is engaging in a securities business from offices at 25 Broad Street, New York City, under the firm name of Joosten-Dowd & Co.

Form G. F. Kiely Assoc.

George F. Kiely Associates, Inc. is conducting a securities business from offices at 60 East 56th Street, New York City. Officers are George F. Kiely, President; and M. E. Kiely, Secretary and Treasurer.

Florida Development Commission Receives Proceeds of Bond Offering



At formal ceremonies in New York City, members of the Florida Development Commission received, on behalf of the State of Florida, a check for the net proceeds from the sale of \$25,000,000 Florida Development Commission University System Improvement Revenue 4 1/4%, 4.15% and 4.10% bonds due 1965-1990.

The offering of bonds was made on July 12 by a group of underwriting firms managed by White, Weld & Co., B. J. Van Ingen & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated and John Nuveen & Co.

In the picture above, Wendell Jarrard, center, Chairman-Director of the Florida Development Commission, receives the check for the proceeds from Lloyd B. Hatcher, partner in White, Weld & Co. At the right is Benjamin H. Dickens, general counsel of the Commission.

The funds will be applied largely to the cost of additional construction at Florida's four State-supported universities, and for initial buildings of a new State university, Florida Atlantic University, to be located in Boca Raton. The proposed construction is a first step in an extensive program designed by the State of Florida to keep the educational and technical training facilities of the State fully abreast of a fast moving technology in this space and missile age.

The present Florida University System comprises The University of South Florida, The University of Florida, The Florida State University and Florida Agricultural and Mechanical University. The System had an enrollment of 29,219 in 1961.

The ceremonies were held at the State of Florida Showcase in Rockefeller Center.

TAX-EXEMPT BOND MARKET

Continued from page 6

groups for \$7,650,000 Jacksonville, Florida various purpose bonds. The First National City Bank-Bankers Trust Co. group was awarded the issue on a dollar price bid of 100.0961 and a net interest cost of 3.0470%. The Harris Trust and Savings Bank syndicate was second bidder with a net interest cost of 3.0472%. The bonds due 1963 through 1981 were offered to yield from 1.60% to 3.25%.

Other members of the winning account were C. J. Devine & Co., The Northern Trust Co., Marine Trust Co. of Western New York, Industrial National Bank of Rhode Island, Fidelity Union Trust Co. Dominick & Dominick, Roosevelt & Cross, Inc. and Cross, Inc. and Braun, Bosworth & Co., Inc. Of the total number of bonds, \$2,015,000 were sold pre-sale and, as we go to press, the balance is \$200,000.

The Harris Trust and Savings Bank syndicate submitted the best dollar price bid of 100.030 for a 2.80% coupon for the highly rated \$9,680,000 State of Vermont various purpose (1964 - 1982) bonds. The runner-up dollar price bid of 100.026, also for a 2.80% coupon was submitted by the Morgan Guaranty Trust Co.

Other major members of the winning group are White, Weld & Co., Drexel & Co. and The First National Bank of Boston.

The bonds were priced to yield 1.745% in 1964 to 3.00% in 1981-1982. The present balance is \$3,-865,000.

Higher Dollar Bond Prices Likely

The market for toll road and other revenue issues has continued to show improvement with trading active. On Aug. 15, 1962, *The Commercial & Financial Chronicle's* revenue bond yield index averaged out at 3.808%. This average yield was 8.387% the previous week. The improvement was better than one-half of a point. Some further price improvement for these bonds seems in prospect for the near future.

Housing Offering in Coming Week

There have been no sizable additions to the new issue calendar since last reporting and the 30 day calendar is down \$80,000,000 from last week to the current total of \$320,000,000. Next week's important new issues are \$37,-000,000 State of Washington various purpose Gas and Retail Sales Tax revenue (1963-1981) bonds for Monday (Aug. 20, 1962) and \$106,210,000 Public Housing Authority (35 agencies) 1963-2003 bonds for sale Wednesday (Aug. 22, 1962). We know of no changes in the negotiated offering calendar with no issues presently on the calendar.

President's Views on the Business Trend and Tax Cuts

Continued from page 12

tive facilities that we have—\$30,000,000,000 more we could produce.

Since January of 1961, that gap has been narrowed. But it could be, and must be, closed altogether.

We will not find full employment in this country, we will not find our factories producing at full blast, we will not find business men investing in new factories until we make better use of the work force and the plants that we now have; until we've cleared away the effects not only of two recessions, but five years of slow-downs.

Employment, income, profit, construction and investment must all move up more quickly than they have been doing this summer. And the greater wages and profits which full capacity could bring to all of our American citizens must soon replace the most extravagant waste, which is to have men searching for jobs which they cannot find in factories which have a percentage of their machines unused.

All Must "Help"

Therefore, I'm asking your help, help of the Congress and the American people, in pushing to enactment before adjournment those measures which I think would speed up our economy, which are designed to give us more jobs and more growth. There's still time to close this gap—and close it we must.

Specifically, I think before the Congress goes home in September we should enact these measures:

We need enactment of the investment tax credit which will stimulate business outlays for modern machinery, the kind of taxes which they have used successfully in western Europe to stimulate their economies. As we produce more business men buy new machines. This makes for new jobs. Combined with our improved depreciation allowances, this should put us in a better competitive position.

Secondly, we need enactment of a bill to step up Federal help to state and local public works, increasing this year the building of those projects in parts of our country which most urgently need them, where there are many of our fellow countrymen out of work, and where there is a good deal still to be done.

That bill has passed the Senate. I hope it passes the House.

Third, and I think this is most important, we need enactment of our bill to provide for youth employment opportunities. Do you know today that we have in this country 1,000,000 boys and girls who are out of school and out of work. In the next eight years of this decade, according to some predictions, we're going to have 8,000,000 boys and girls who are going to leave school before they finish and they are going to be around looking for work.

They're going to be unskilled and they may have trouble finding jobs.

The Youth Employment Opportunity Bill would give them a chance to work in our forests and our parks, and I think it's better than having them standing on a street corner without hope. That bill awaits final action by both houses of the Congress.

Fourth, we need to renew our temporary Federal backstop to unemployment compensation. There are 100,000 men who want work and can't find a job, who, every month, exhaust their unemployment compensation benefits—then they have to look for public assistance in order to support their families and them-

selves. I think that this bill should be carried out before this Congress goes home.

Fifth, we need to enlarge our export markets through the Trade Expansion Bill so that we can sell abroad, so that we can get them into the great Common Market which is being built up, so that we won't have our money going abroad to invest in plants overseas, but invest here in this country.

Asks Aid for Schools

And then we need a bill to assist our schools and universities—our bill, particularly, for higher education. There are going to be twice as many of your sons and daughters trying to get into college in 1970 as 1960—7,500,000 to 8,000,000. Our schools and colleges can't take all of them unless they begin a tremendous building program, and I think the National Government should play its fair part. Educated young men or women is our most precious asset. It's the key to economic and social advance, and I think that this is a most important piece of legislation.

The real key is the Congress, and this Congress has done more in the last 18 months to combat the recession and strengthen the economy than any Congress since the end of the Second World War.

It has provided benefits for nearly 3,000,000 unemployed men and women who were paid it under last year's temporary unemployment compensation bill.

Seven hundred hard-hit communities are receiving area redevelopment assistance—communities where 10, 15 and even 20% of the people were out of work.

Four hundred thousand unemployed men and women are now receiving retraining so that they can find new work in new industry and new jobs. More than 350,000 of our fellow Americans—men, women and children—can get a more decent diet with the help of our new food stamp program.

And 200,000 children of our unemployed workers now get welfare assistance. In the old days they got assistance only if the husband deserted the wife and we had the experience of some of our unemployed workers who would desert their families in order to make their children eligible.

That is no longer necessary. Aid has been stepped up to nearly 3,000,000 aged, blind, disabled and dependent people on welfare. Federal help has been made available to reduce their dependency. One hundred thousand men are retiring every year under Social Security at 62, instead of 65, therefore providing jobs for younger men.

Cites "Case Histories"

More than 26,000 and this program I think can be most important in the coming years, aged couples and individuals are getting help for housing especially designed for the elderly.

Railroad and bus and excise taxes have been repealed, and other measures have been taken which help our urban renewal programs, our housing programs and our small businesses.

Now all these are not merely statistics and recitation of legislation. In Eau Claire, Wis., a veteran of 14 years on the assembly line at the Presto plant found his job discontinued.

And no new jobs around. He was 63 years old, and men weren't being hired. Under our bill now, he is able to retire and they're drawing under Social Security, he and his wife, over \$140 a month. In nearby Hagerstown, Md., we

have had cases of individuals who were unemployed for many months, one of them that I know of in an airplane company. He is being retained as machine tool operator, and we hope that he is going to be back earning and supporting his family again.

In Davy, W. Va., a young couple with only \$100 a month and they have to feed eight growing boys. They regard the food stamp program as the salvation of their family budget.

In Carbon County, Pa., 52-year-old George Demont, and this is true of many Pennsylvanians and southern Illinoisans and Kentuckians and West Virginians, and along in Ohio, could no longer find a job in the coal mines to support his family. Last November his unemployment insurance ran out. Our Federal supplemental benefits, however, paid him benefits for three additional months. Our retaining program then taught him new skills of a welder. A trailer company newly located in Pennsylvania with the help of the area redevelopment office has him gainfully employed tonight on a night shift.

All these strands of administrative and legislative action have one common purpose, and that is a purpose of jobs and growth—strengthening the economy of our nation, making the most of our machines and men, refusing to be satisfied with the status quo.

It is because, in other years, similar actions were taken under President Roosevelt and others that it was possible for us to move ahead in the period since the war. We also have to move ahead.

And I know that there are those who oppose all these moves, as they opposed moves in other days—much as they opposed Social Security, much as they opposed a minimum wage, much as they opposed a ban on child labor and, more recently in the Senate, medical care for the elderly.

This country would still be in the dark ages economically if we permitted these opponents of progress and defenders of special privileges an interests to veto every forward move.

Action Essential

But the President of the United States, I believe, and the Congress and all of us must be committed to action in our time. Other Congresses and other Presidents were committed to action in their time. And I do not believe that we should let the pressures from any special group or area stand in the way of fulfilling our promises in the Nineteen Sixties.

I want to make it clear that we are not talking about Federal spending getting out of control. On the contrary, we are attempting to provide a dollar of service for the dollars that we spend, to close down those installations and activities that are not essential.

Secretary of Defense McNamara has estimated that he can save \$3,000,000,000 a year in the Department of Defense by new economy moves, and other departments are going to make more effort and all requests for funds are going to be very sharply judged in this office.

I am urging the Congress moreover, to end the postal deficit of \$600,000,000 a year. That bill has passed the House—it's now in the Senate.

To save \$1,000,000,000 a year on farm surpluses, of which we already have today \$9,000,000,000 stored away, while maintaining the farmer's income.

And to close those tax loopholes enjoyed by a comparative few that will otherwise cost the taxpayers of the United States \$1,000,000,000 annually.

The true test is: Are we spending the least amount that is consistent with our necessary national goals?

I take some pride in the fact

Tribute to First National City Bank



Secretary of Commerce Luther H. Hodges cited First National City Bank for providing free foreign currency exchange service at all 93 New York branches and at selected hotels and stores. The bank also maintains 24-hour currency exchange services at the International Arrivals Building at Idlewild Airport.

During a visit to the bank's uptown headquarters, Secretary Hodges told of the successful U. S. Travel Service program and how overseas visitors to the United States have increased 16% during the first four months of 1962. "The fact that 50% of the visitors used New York City as their gateway points up the importance of what New York does to make visitors welcome."

Bank President George S. Moore (center) shows Secretary Hodges (second from left) and United States Travel Service director Voit Gilmore (second from right) multilingual poster the bank is using to announce the service. Looking on are Charles H. Brower (left), President, Batten, Barton, Durstine & Osborn, Inc. and John Bullitt (right), Deputy Assistant Secretary of the Treasury. The latter presented a letter from the Office of the Secretary of the Treasury stating that "your endeavors in bringing this program to fruition add one more action to the many being taken to correct our balance of payments position. . . ."

that we kept last year's deficit well below that incurred in the recession of 1958, and reduced the actual burden of the national debt in relation to the nation's output.

Debt Ratio Decreasing

This chart shows that because our wealth has increased, the percentage of our debt to our wealth has substantially gone down since the end of the Second World War and is being steadily reduced.

In 1945, our national debt was about 120% of our wealth. Now this country's economy has gone forward so fast that it's 60% and it will be steadily reduced in comparison to our gross national product.

The Administration's increases in expenditures have been primarily in the field of national security, defense and space and human welfare.

No increases are planned beyond those we have submitted to the Congress but those are important. And I want to make it clear that we will have no hesitancy in doing whatever must be done to meet our obligations to the nation.

The single most important fiscal weapon available to strengthen the national economy is the Federal tax policy. The right kind of tax cut at the right time is the most effective measure that this Government could take to spur our economy forward.

For the facts of the matter are that our present tax system is a drag on economic recovery and economic growth biting heavily into the purchasing power of every taxpayer and every consumer.

During the last 15 months, for example, of the current expansion in our economy Federal purchases have added \$7,000,000,000 to the economy, but Federal taxes have siphoned out \$12,000,000,000. It is estimated that at full employment our Federal taxes—all of our people were working, and all of our factories were working full time—that our present budget, tax system would bring in a seven or eight billion dollar surplus, far too heavy for the purpose of curbing inflation and far too heavy to encourage investment and enterprise and risk-taking which make jobs

and make growth. Our tax rates, in short, are so high as to weaken the very essence of the progress of a free society—the incentive for additional return, for additional effort.

For these reasons, this Administration intends to cut taxes, in order to build the fundamental strength of our economy; to remove a serious barrier to long-term growth; to increase incentives by rooting out inequities and complexities, and to prevent the even greater budget deficit that a lagging economy would otherwise surely produce.

The worst deficit comes from a recession, and if we can take the proper action in the proper time, this can be the most important step we could take to prevent another recession.

That is the right kind of a tax cut, both for your family budget and the national budget, resulting from a permanent basic reform and reduction in our rate structure—a creative tax cut creating more jobs and income and eventually more revenues.

Promises Tax Reduction Effective Next January

And the right time for that kind of bill, it now appears; in the absence of an economic crisis today, and if the job is to be done in a responsible way, is January, 1963. Such a bill will be presented to the Congress for action next year.

It will include an across-the-board top-to-bottom cut in both corporate and personal income taxes. It will include long-needed tax reform that logic and equity demand. And it will date that cut in taxes to take effect as of the start of next year, January, 1963.

The billions of dollars this bill will place in the hands of the consumer and of business men will have both immediate and permanent benefits to our economy. Every dollar released from taxation that is spent or invested will help create a new job, and a new salary. And these new jobs and new salaries can create other jobs and other salaries, and more customers and more growth for an expanding American economy.

Instead of being permanently saddled with excess plant capacity

and the budgetary deficit that is created by this means, our goal must be full capacity and full employment and the budgetary surpluses that that kind of employment and capacity can produce.

By removing tax roadblocks to new jobs and new growth, the enactment of this measure next year will eventually more than make up in new revenue all that it will initially cost. By lightening tax burdens, as the Common Market countries have done so successfully, and they have full employment and an economic growth rate twice ours, it will improve the competitive position of American business, encourage investment at home instead of abroad and improve our balance of payments.

It will help make us all individuals and as a nation help us make the most of our economic resources.

The leaders of both Houses and the chairman of the House Ways and Means Committee—Congressman [William D.] Mills [Democrat of Arkansas] have assured me of their cooperation in steering such a bill through the legislative mill with sufficient speed to make the January 1st date effective and make it possible and meaningful.

And I am certain that such a measure will be supported by a clear-cut economic evidence, by Americans in all walks of life and by a majority of both Houses of the Congress.

Let me emphasize, however, that I have not been talking about a different kind of tax cut, a quick temporary tax cut to prevent a new recession.

Under the right circumstances that is also a sound and effective weapon but, like many weapons, it should be fired only at a period of national advantage.

Timing is of the essence, and in the absence of a clear and present danger to the American economy today I believe the American people are willing to bear the burdens of freedom and progress, to face the facts of fiscal responsibility and to share my view that proposing an emergency tax cut tonight, a cut which could not now be either justified or enacted, would needlessly undermine confidence both at home and abroad.

Would Accelerate Tax Cuts

But let me make this clear: if more time should prove that this kind of a tax cut is necessary later this year, I will not hesitate to request it and to call Congress back into session if that should be necessary.

My fellow Americans, this Administration is pledged to safeguard our nation's economy. It is a vital matter to all of us. Upon it depends our individual well being and the well being of all the countries that so greatly depend upon us.

I believe that it is necessary for those of us who occupy positions of responsibility in the national Government, in the Congress and in the state and all of us to work together, to build an economy which can sustain all of the great responsibilities which have been placed upon it, where men can work, where business men can invest with hope for the future, where housewives can purchase with due regard to the security of their dollars.

I have confidence in that kind of America, and I think—working together—we can bring it about. We have made progress in the last eighteen months, but much remains to be done.

I believe it's important that this country sail, and not lie still in the harbor. Great opportunities lie before us. Great responsibilities have been placed upon us. I believe we can meet them. We have in the past, we are going to today, and I know we will in the future.

Thank you very much and good night.

U.S. Needs a Unified Communications Policy

Continued from page 9

shortly, we must come to grips with a number of conditions, many without precedent, arising from the fact that a satellite communications system, by its very nature, will place new tests and burdens upon international working relationships. These questions involve basic problems of principle, policy and procedure which will not be resolved without the most careful planning and forethought by the finest legal and technical brains available in government and in private industry.

We will take a meaningful step forward through the establishment of a Communications Satellite Corp. — and the Kennedy Administration deserves commendation for its foresight and initiative in advancing this project. The White House also recently revealed plans to undertake a study of international television requirements in the Satellite era. In addition, this country has developed proposals on frequency allocations for space radio communications to be considered at an International Telecommunications Conference which may be held next year. All these steps together represent a useful beginning — but only a beginning — of a program which must place an umbrella of law and regulation over all the complex and recent offshoots in the field of communications on land, at sea, and in space.

My observations today, of course, are not intended, in any way, to suggest that we halt or delay our plans for establishing a Satellite Communications Service at the earliest possible date. Our national interests and prestige call for our country to capitalize on its present leadership and to become the first to establish an operational system of Satellite communications.

Nevertheless, it seems to me this is the time, the golden opportunity, to set about establishing a basic national policy which will bring coherence and viability to our entire communications service — that which exists today and that which will come tomorrow. We should, before we are swept into the turbulence of coming events, make a concerted effort to determine our interest and needs, and adjust our national posture accordingly.

I would consider the following questions as among those urgently in need of study and resolution if we are to secure all the public benefits modern science and technology promise us:

(1) Will our Nation's interests in the Space Age be served well and adequately by preserving the present pattern among communications services, with all the illogical limitations and unnecessary handicaps under which American companies now must operate? Or, should we create by law a new pattern cut to the public interest and the capabilities of modern science?

(2) What measures should be taken to assure the most efficient and economical use of frequencies and facilities employed in domestic and international communications — whether by satellites or other means?

(3) What principles of international agreement should govern participation by foreign nations in the ownership and use of an American global satellite communications system? Conversely, on what reciprocal basis would we be permitted to participate in such satellite systems as may be established by foreign countries?

(4) What authorities should be established for adjudicating possible differences and conflicts among international participants

and users of the new space communications system?

(5) What agreements should be sought to guarantee freedom of the content of satellite radio and television broadcast transmissions, particularly in view of the differing cultures, ideologies and conflicting philosophies of operation now prevalent?

(6) What means should be used for assisting less developed countries to establish ground facilities linking them with communications satellites, particularly where extension of the service will not be economical from a commercial standpoint?

Of these six questions requiring resolution, I place the highest priority on the first. I do so because I believe our nation will not realize a full return on its formidable contributions to communications technology as long as we maintain the present illogical structure in the international communications field.

From time to time, several different proposals have been advanced for solving this complex problem. Based on long experience in this field, my own belief is that the most practical solution would prove to be the creation of a single, privately-owned American company, uniting the facilities and operations of the present competing U. S. carriers, in the international communications field. This company should be completely independent in its policies and operations, subject only to appropriate government regulations.

Such a unified company would be able to render a complete service to the public with all the advantages made possible by modern science and technology. And surely there is every logical reason for such a company to give further cohesion to our entire communications structure by interconnecting the flow of its international traffic with established domestic facilities.

Through these steps, our international communications services would become more flexible, more convenient and more economical to the public — at home and abroad. And our unified American company would be able, for the first time, to deal on equal terms with foreign government monopolies.

Above all, this plan for unity would eliminate the present weaknesses in our communications structure and secure for America a position of strength commensurate with our nation's contributions to world-wide communications.

Debate and Decision

We cannot today claim ignorance of what is to come. The future is orbiting in the skies above us. On the threshold of the Age of Space, the supreme challenge to the law is to bring new concepts of order in harmony with new concepts of change.

The complex problems involved in this entire subject — technological, political, social and economic — do not lend themselves to simple, easy and quick solutions. It is more than likely that differing opinions will be expressed on the views and suggestions I have put before you today. If so, this would be a constructive forward step.

Indeed, free and open discussion would provide healthy recognition of the existence of the problems I have emphasized and would advance the prospects of their timely solution.

In my view, these problems will not solve themselves nor will they disappear with time. On the contrary, I believe that time will only

intensify them and increase the pressures for remedial action.

If we are to preserve and secure the benefits of the American concept — the privately owned and operated systems of national and international communications, functioning under appropriate government regulations — and if we are to avoid the alternative of government ownership of these vital public services, then we must develop and adopt, before our opportunities are diminished by time, a *Unified National Communications Policy* that would resolve the questions I have raised and be suitable to our current and future needs. Such a national policy should be sanctioned by the Law.

The majesty of our legal system lies in its capacity for organic growth — its ability to serve, in Justice Brennan's words, "... the realization of man's ends, ultimate and mediate."

The legal architect and the communications architect can further these ultimate and mediate ends

by combining their talents in a searching examination for the answers to the communications problems we face. Their findings and recommendations should prove invaluable to those government departments and agencies concerned with such problems. Out of such a joint effort could emerge a legislative program that commended itself to the President and the Congress.

All Americans, I believe, will agree with this recent public statement by President Kennedy. He said:

"There is no more important field at the present time than communications and we must grasp the advantages presented to us by the communications satellite to use this medium wisely and effectively to insure greater understanding among the peoples of the world."

*Address delivered on General Sarnoff's behalf, during his post-operative convalescence by his son, Robert W. Sarnoff, Chairman of the Board, National Broadcasting Co.

Senior Citizens and Impact Of Social Security Taxes

Study cites rapid growth in ratio of persons 65-years or over to number of persons in labor force.

Today there are only four persons in the U. S. labor force for each elder citizen of 65 or over. In 1940 when the Social Security program was getting under way, there were six available workers to each oldster. In 1920 the ratio was eight people in the labor force for every citizen of 65 or over.

The rapid change in the above ratios is one of the most important cost factors in meeting the problems of our aging population, but some of its effects, particularly on the younger workers, are not fully recognized, says the family economics bureau of Northwestern National Life Insurance Co., Minneapolis, Minn.

Steady decline in the ratio of taxable workers to retirement-age citizens means a steady increase in the share which each worker must pay to meet the cost of every new increase or extension in Social Security benefits, says the bureau's report. The younger the worker, the larger the share he must expect to pay in the total costs of such increases, it points out.

In the early days of the Social Security program, collections were much greater than outgoes because of the small number of claims. Expenditures have increased rapidly in recent years, however; this is partly due to the larger number of claims being paid as the plan continues, and partly to successive increases voted by Congress, both in benefits and in number of persons covered. Net results, of particular impact on the pocketbook of the younger worker, are these, according to the report:

Social Security outgoes have overtaken collections. The old age "trust fund" or reserve of Government bonds accumulated in the early days of Social Security was, by 1950, little more than equal to the amount of future benefits promised to persons then on the benefit rolls. Today the trust fund amounts to less than one-fourth the value of such promised future payments, without any allowance for the potential claims of those not yet on the benefit rolls.

Older workers with only a few years left to pay Social Security taxes, and persons already on the benefit rolls, pay little or none of the added costs of new benefits granted them. Thus collections made from the pay checks of younger workers, together with matching contributions by their employers, must make up the difference, the report points out.

As medical science and more healthful conditions enable more people to live longer, we are at the same time retiring more people from useful work, and at younger ages. For women, the Social Security retirement age was lowered in 1956, and for men in 1961; the age requirement for disability benefits was removed entirely in 1960. Already there is mounting pressure to lower retirement ages further, while increasing benefits and covering more people, says the report.

The resulting financial problems, the report concludes, will be further intensified by the continuing rise in the proportion of elder citizens to the size of our labor force, shown in the table below.

| | U. S. Civilian Labor Force | U. S. Population Aged 65 Years or Over | Ratio of Over-65's to Labor Force |
|-----------|----------------------------|--|-----------------------------------|
| Apr. 1900 | 27,640,000 | 3,080,000 | 11.1% |
| Jan. 1920 | 40,282,000 | 4,929,000 | 12.2 |
| Apr. 1930 | 47,404,000 | 6,634,000 | 14.0 |
| Apr. 1940 | 53,299,000 | 9,019,000 | 16.9 |
| Apr. 1950 | 59,072,000 | 12,295,000 | 20.8 |
| Apr. 1960 | 69,877,000 | 16,560,000 | 23.7 |
| Apr. 1962 | 70,769,000 | 17,300,000 | 24.4 |

NOTE: Above labor force and population figures for 1900 through 1960 are from regular decennial censuses. Labor force figure for April, 1962 is recent Census Bureau estimate. Population 65 years and over for April, 1962 is our own estimate, based on rate of increase in recent years. (Census Bureau estimate for July, 1961 was 17,011,000.)

WASHINGTON AND YOU



BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL

WASHINGTON, D. C.—The Federal Reserve Banks across the nation and the Department of Commerce's Office of Business Economics agree that the economic activity the first half of this year continued to expand.

The third quarter likewise is expected to show further expansion. Economists at the Department of Commerce assert that the Gross National Products—value of all goods and services—in the second quarter rose to a new high of \$552 billion at a seasonally adjusted rate. This figure is \$7 billion above the first quarter.

Certain seasons of the year mean greater economic activity than others. The summer months traditionally are a bit slower because of vacations and hot weather. Of course, snow and ice and freezing temperatures slow down business in wintertime in some sections of our country. Employment is generally lower in January and February and March in the construction field and in some other industries.

The Department of Commerce says that the cumulative increase in GNP in the five quarters following 1961's first quarter low point has now exceeded \$50 billion, or an increase of about 10%.

Personal income increased nearly \$8 billion for the second quarter at a seasonally adjusted annual rate of almost \$440 billion. The May and June increases in personal income averaged about \$1 billion.

The most important economic resource of a country is its manpower. Our employment in this country has been expanding right along, but the primary trouble as our economists see it is that the growth has not been fast enough. This is one reason many individuals and organizations have advocated a reduction in individual and corporate income taxes.

The Federal Reserve Banks keep their fingers on the economic pulse of their respective regions. The Federal Reserve Bank of St. Louis reports that, despite the rise in the total output of goods and services earlier, the economic expansion may be losing some of its zip.

The St. Louis Bank, unlike most of her sister Federal banking institutions, took a little dimmer view of the recent pause in the march of the economy. After pointing to the unemployment total in July, and stating that the figure was estimated at 5.3%, the bank said there has been practically no change in average prices in recent months.

King Cotton

To the farmers of the old South and Southwest, cotton remains an important cash crop. It helps to buy clothes, some food, and farm machinery. The 1962 prospects are up nearly 784,000 bales over last year. A new crop of 15,102,000 bales is indicated.

Harvesting has already started in the Lower Rio Grande Valley of Texas, and harvesting will start in two or three weeks in scattered sections of other producing states. Excellent yield per acre prospects are shaping up.

The Federal Reserve Bank of Dallas reports that the cumulative data for the first half of 1962 indicate a 35% increase in new car registrations in four major Texas markets over the corresponding period of 1961. The May and June registrations were up sharply.

Combining of early rice varieties are well underway in Louisiana and Texas. Pasture and feed conditions in the Southwest remain generally adequate.

Cattle has become an important part of the economy in many sections of the South since acreage controls have been placed on cotton and some other crops. Lack of rainfall has hurt a large region of the South, particularly in Alabama, Mississippi, Georgia, parts of Tennessee and North and South Carolina.

Bank Savings Deposits Increase

Business activity continued to advance at a fairly healthy rate through the late spring and into the summer in the Fifth Federal Reserve District which has headquarters at Richmond. There has been a marked increase in construction. Except for a minor setback in March, bank debits have increased steadily.

"Perhaps the most interesting banking development so far this year has been the continued growth of time and savings deposits," said the Richmond bank. "Normally such deposits grow slowly or even decline as economic expansion improves market interest rates and draws funds from time deposits to provide larger working balances. This year, however, interest-bearing deposits have continued to rise at a rapid clip, increasing almost 9% since the first of the year. The increase can be explained in part by the mild nature of the present expansion and the stability of market interest rates."

Cleveland's Federal Reserve Bank reports that market values of farm lands in the Fourth Reserve District, which includes all or parts of Ohio, Pennsylvania, Kentucky and West Virginia, are at record high levels.

Higher Farm Prices

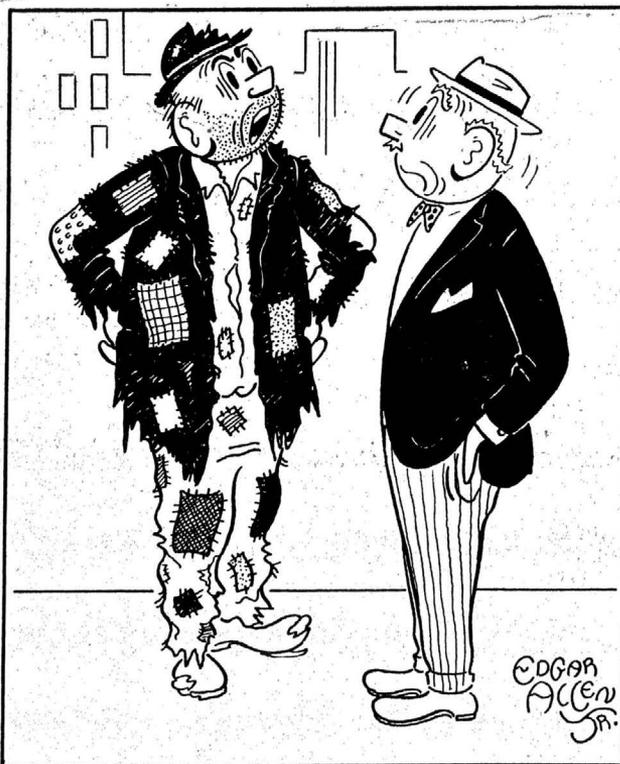
Prices paid for farmland throughout the country edged upward during the year ended March 1, 1962. The annual survey by the Department of Agriculture showed that the price of farmland increased by 5% from a year earlier to a record-level of \$123 an acre.

"It seems likely that the downward drift in net income of farmers has actually contributed to higher land prices," said the Federal Reserve Bank of Cleveland in a pertinent observation. "In that connection, farmers have tried to offset declining or stable margins per acre by the acquisition of additional acreage. In attempts to increase income by enlarging the volume of business, farmers have bid aggressively for additional land."

Minneapolis' Federal Reserve Bank reports that out in the Central Prairie States that farm real estate reached an all-time high in the spring.

The Federal Reserve Bank of Chicago reports that large Midwest firms producing capital goods report that orders for the first five months of 1962 have exceeded last year by 10%. Demand for construction machinery was strong in the second quarter after a slow start early in the year because of severe weather.

The number of acres per farm in the district served by the Federal Reserve Bank of San Francisco continues to rise, the bank reports. The average size of farms varied from 6,216 acres in



"Let's see—I think it was 20 years ago you said—
quote: 'Hang on to it, XYZ HAS to go up!'"

Arizona to 383 acres in Washington compared with the national average 336 acres.

From various parts of the country, reports are that another great harvest appears in the offing. The trend continues for bigger and bigger farms as labor costs continue to increase.

[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.]

Ohio Co. Branch

EUCLID, Ohio—The Ohio Company has opened a branch office at 21877 Euclid Avenue under the management of Edwin C. Allen.

Opens Branch Office

SIKESTON, Mo.—Metropolitan Securities Corporation has opened a branch office at 114 East Center Street under the direction of Doyle R. Brown, Jr.

R. G. Dickinson Branch

AMES, Iowa—R. G. Dickinson & Company Incorporated has opened a branch office at 311 Main Street under the management of Bain Campbell.

New Dickinson Office

CARROLL, Iowa—R. G. Dickinson & Company Incorporated has opened a branch office at 626 West 8th Street under the direction of Lou Hannasch.

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COMING EVENTS

IN INVESTMENT FIELD

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.

May 12-15, 1963 (Chicago, Ill.) Financial Analysts Federation annual convention at the Palmer House.

Costello, Russotto Branch

LOS ANGELES, Calif.—Costello, Russotto & Co. has opened a branch office at 639 South Spring Street under the management of Joseph Bento.

Financial Planning Branch

COCOA, Fla.—Financial Planning Corporation has opened a branch office at 511 Delannoy Avenue under the direction of Irving F. Willson.

Financial Security Office

PORTLAND, Ore.—Financial Security Corporation has opened a branch office at 3376 Northeast Sandy Boulevard under the management of Tom Boylen.

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