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EDITORIAL As We See It

The fall political campaigns are upon us. Already the President is making "nonpolitical" journeys and speeches. Various candidates are "warming up." Within a short time Congress will adjourn and its many members who must attend to the task of getting re-elected will be at it in earnest. In a certain, but quite unsatisfactory, sense the President has let it be known what the main battle lines are to be if he can manage to have his way. He and the larger portion of the Democratic party — the President himself has been quite frank in saying that he can speak only for such a segment of the party—will ask a mandate to proceed with the so-called Kennedy program. What the opposition, within and without the Democratic party, will do remains for the future to disclose. That is to say, no one knows for certain whether there will be anything more than haphazard and somewhat negative opposition to what the President proposes.

This is a wholly unsatisfactory state of affairs, and unless a more constructive and more realistic opposition develops within the relatively near future the election results will be about as meaningless as most of them have been for years, even decades past. It is true that the President and his Administration have managed to stimulate some well organized opposition at least on two or three fronts, opposition which may well mean real trouble for the President. The American Medical Association, a powerful political entity as well as a professional organization is unalterably and very actively opposed to the whole "medicare" program of the Administration, and organized labor or at least its most vociferous spokesmen are now quite definitely on record as dissatisfied with the President's ideas about proper policies regarding wages, working hours and some of the other issues currently to the front in labor matters.

The AMA is, of course, a non-party organization without any predilection for either of the parties. The labor organizations have long been al- (Continued on page 20)

The Extent to Which the Economy Is Hindered by Payments Balance

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

Central banker differs with his Chairman in opining that our payments balance problem may have restricted the economy's advance (cf. Wm. McC. Martin's views, Page 1, this "Chronicle" of Aug. 23). Mr. Mitchell would like to have seen a more aggressive money supply expansion were it not for the risk that reduced interest rates and greater liquidity might have worsened it further. President Kennedy's only appointee to the Fed discusses: economy's performance; how nudging kept long rates up and domestic spending down; and need for money supply growth and for fiscal action to complement monetary policy.

The curriculum at the Graduate School of Banking quite properly emphasizes an understanding of the role of monetary policy. This is important not only because monetary policy is important but also because the nature of monetary policy is so little understood by the general public. The people in a community may expect their banker to explain the reason for changes in monetary policy and the effects of these changes. Bankers note actions by the Federal Reserve are often associated with changes in the yields of their portfolio and the market value of their investments. But the precise way in which monetary policy works and the evidence for evaluating its adequacy or inadequacy are far from clear. Bankers are aware that changes in monetary policy rely on their profit-making propensities as well as those of other businessmen in order to affect the real economy. It is the very essence of monetary policy that it performs its function by creating changes in the money and credit climate that induce bankers, businessmen, investors and consumers to expand, contract, or continue with little change their scale of operations.

George W. Mitchell

My intention in this paper is to appraise the behavior of the real economy in the past 18 months, to try to evaluate the contribution made by monetary policy to economic expansion.

Gross National Product reached its recent recession low in the first quarter of 1961. At that point, 6.8% of the labor force was unemployed; only 77% of our industrial policy was being utilized; and Gross National Product, at $500 billion, was about $50 billion below what it would then have had to be for a satisfactorily low rate of unemployment. In the five quarters since, GNP has expanded at an annual rate of almost 7%, after allowing for price changes. Growth was fastest, however, in the last three quarters of 1961—9.1%. The annual rate of growth in 1962 has been only 3.3%. And Gross National Product in the second quarter of this year at an estimated $550 billion remains about $30 billion below its current potential.

The 1958-59 period of recovery and expansion started from somewhat lower levels of capacity utilization than did the current one, but the gradient of expansion was more nearly sustained. GNP continued to grow rapidly through the first five quarters after the trough reached in the first quarter of 1958. As a matter of fact that rate of expansion accelerated in the first half of 1959. This is partly explained, however, by the inventory build-up preceding the steel strike that occurred in the summer of that year. Industrial production declined in the summer of 1959 because of the steel strike, but even so it was higher in that period as compared with its recession low than is the case now. The hesitant course of recovery during the first half of 1962 was accompanied by failure of unemployment to de- (Continued on page 20)

SECURITIES NOW IN REGISTRATION—Underwriters, dealers and investors in corporate securities are afforded a complete picture of issues now registered with the SEC and potential undertakings in our "Securities in Registration" Section, starting on page 24.

The Security I Like Best . . .

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

This Week's Forum Participants and Their Selections

John Sexton & Co. — Charles M. Miller, Mullaney, Wells & Co., Chicago, Ill. (Page 2)

William H. Rorer, Inc. — Harris Verner, John C. Legg & Co., Baltimore, Md. (Page 2)

CHARLES M. MILLER

Executive Vice-President, Mullaney, Wells & Company, Chicago, Ill.

John Sexton & Co.

John Sexton & Co. reported that for the fiscal year ended June 30, 1962 its sales volume increased for the tenth consecutive year, amounting to $66.4 million. Net earnings also reached a new high of $1.4 million. Thereby the company, in its 79th year of operation, strengthened its standing as one of America's leading suppliers of food to the institutional market. Its steady growth stems from continuing expansion of the volume feeding market and sound, aggressive management.

Charles M. Miller

It is estimated that 22 cents of every dollar the average American spends for food and beverages is spent away from home. Any establishment in which he spends it is a likely Sexton customer.

Restaurants are responsible for the largest part of the company's sales volume. Rising annually in number and in total meals served, they represent 40% of Sexton's accounts. Schools and colleges are next and, with their mounting enrollments, likewise are in a strong growth trend as users of food. Each year there are more and more hospitals and nursing homes and more patients in them, requiring the type of foods John Sexton & Co. provides. Hotels and clubs are flourishing; motels are mushrooming with the rising speed and volume of travel. Food service is important to all of these enterprises. And finally, inplant feeding is being increasingly accepted as an obligation by industry, and fulfilled either by employer operation or by contract catering.

These are favorable market factors of which Sexton management takes full advantage. They account, to a considerable degree, for the company's consistent rise in volume of sales. But the improved ratio of earnings to sales must be considered the reflection of able administration. Thus in the 1961-1962 fiscal year, sales gained 2.8%, while net income (before taxes) improved 4.4%. Over the last ten years, sales increased 47%, net income 118%.

Company management has stressed operating efficiency and at the same time adopted scientific measures to assure uniformly high quality in its products. Contributing to both results are two new plants brought into operation this year. One, located in Englewood, New Jersey, processes and packages spices, tea, and coffee and is the distributing center for metropolitan New York. The other, in Dallas, Texas, is distribution center for the Southwest. Sexton operates ten distribution centers in all, strategically located to provide prompt service to Sexton customers from coast to coast. Seven of these branches, to varying extents, also process and package Sexton products.

As of June 30, 1962, the company's total current assets were $15.6 million and total current liabilities $4.5 million. Working capital was $11.1 million and book value $17.54 per share.

Shares are traded over the counter (currently 19B-21A) at barely 11 times latest annual earnings of $1.90. The well-covered dividend of $0.90 yields 4.3%. In my opinion, the growth trend of its market and the apparent ability of its management commend the common shares of John Sexton & Co. to investors who seek stability, with satisfactory current yield and longer-range growth potential.

HARRIS VERNER

Financial Analyst, John C. Legg & Company, Baltimore, Md.

William H. Rorer, Inc.

Rorer, incorporated in 1927, is a Philadelphia based, ethical drug manufacturer whose Maalox is one of the country's two largest selling ethical antacids for the treatment of gastric hyperacidity. This product contributes about 80% of total company sales, and has been responsible for Rorer's sensational growth record. During the five years 1957 through 1961, a 217% increase in sales (from $4.7 million to $14.9 million) was translated into a 367% gain in profits (from $514,000 or 15¢ per share to $2.4 million or 72¢ per share). This represents annual rates of gain of 34% compounded in sales and 50% compounded in earnings! The company has 3,358,936 common shares outstanding, about 40% closely held. The stock, at 26-28 in the Over-the-Counter Market, selling 27 times prospective 1962 earnings, is recommended for all growth oriented accounts.

Harris Verner

The market for ethical antacids is believed to total about $60 million and is growing at the rate of 10% per year. Principal competition to Maalox is provided by Warner Lambert's Gelusil. Noteworthy is the fact that Maalox, which was introduced in 1949 and formed the base for national distribution of Rorer's products since that time, continues to steadily increase its share of the ethical antacid market. Talk with management and you will become aware of their quiet confidence in the ability of Maalox to meet all competition. They know Maalox is a very good product, well-formulated and not easily duplicated. While promoted as an ethical drug, by far the largest amount of Maalox is sold without a doctor's prescription, i.e., by repeat purchases on a proprietary basis. Eleven other drug specialties are produced by Rorer, the most important being Ascriptin, a pain reliever; Chardonna, for sedation; Parepectolin, for treatment of diarrhea; and Fermalox, for the treatment of iron deficiency anemia.

By 1960, the phenomenal success of Maalox had provided the financial wherewithal to establish a full scale research program looking toward the development of new, unique, specialty ethical drugs. A complete research staff has been organized over the past two years under the direction of Dr. Gustav Martin, a leader in enzymology. In September, 1961, a new research center building was opened in an industrial park in Fort Washington, a Philadelphia suburb. A few months later, the company's offices, manufacturing and warehousing operations were moved alongside to a new, one story, 135,000 square foot building. Productive capacity was thereby doubled and operating efficiency increased significantly. Completing the company's facilities are modern warehouse and distribution centers in Hammond, Indiana, and Oakland, California, opened in 1960 and 1959, respectively. Thus, Rorer now has the physical plant to handle a broadened and expanded sales program expected to develop from new products now beginning to flow from the enlarged research program. During the same building period, management strengthened and added to its detail staff, which now totals over 300 men. A sales force of this size can handle a much larger volume than is currently being done; probably two to four times as much would be a reasonable estimate.

The first product wholly developed by Rorer's new research program is Ananase, an oral enzyme tablet for accelerating healing and tissue repair. Ananase aids healing of sprains, torn ligaments, fractures, and lacerations. It has shown itself to have important benefits in postoperative healing of tissue, an area with vast sales potential. Introduced in January, 1962, initial medical response to Ananase has been most encouraging. Already second to Maalox in product importance, Ananase may contribute $500,000 to sales this year. Its profit margin is believed to be as good if not better than that of Maalox. Last year Rorer netted after taxes a robust 16% on sales, having increased this percentage steadily from 7.9% in 1955.

At the end of 1961, approximately 35 new products were undergoing clinical evaluation. It is management's expectation to introduce about one or two ethical specialties each year. Only items which appear to have an initial sales potential of at least $1 million are pursued. A new product, believed to be a non-narcotic sleeping pill, may receive Food and Drug Administration approval before the end of this year.

The company is capably guided by Mr. Gerald Rorer, age 54, son of the late founder. He and the executive group he has assembled have superbly and prudently led Rorer Drug from the very small company it was 10 years ago through the arduous steps of rapid growth while all the time planning and effecting a corporate body capable of engaging in the broader research, production, and marketing activities now unfolding. As the business has grown, management depth has increased apace.

Both sales and earnings in 1961 and first quarter 1962 advanced over 30% from year earlier figures. A less than usual volume gain in June held the first half progress in sales and operating earnings to 27% and 25%, respectively. On sales of $7.6 million, earnings were 34¢ per share (including 4¢ nonrecurring) versus 24¢ in first half 1961. Operations are now exceeding forecasts and management views the year optimistically. In fact, increased

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

Research and Development—Key to Profitable Growth

By Hon. Luther H. Hodges,* *Secretary of Commerce*

Secretary Hodges notes past oversight of invention, new production techniques, and improved work-force skills in discussing "what makes economies grow"—now repaired by recognition that they can "pack a tremendous economic wallop." Asserts answer to promoting accelerated growth is not confined to pouring money into research and development; and key is direction as well as pace of the effort. Cites Administration's objectives and implementation, including President's development directions to National Science Foundation, and creation of Office of Science and Technology as part of his Office.

Economists for centuries preached that the factors of production—the forces that raised total output—were labor, capital, and land, the last an umbrella covering all natural resources. Sometimes a fourth factor would be added—managerial skill. But rarely was there even a nod to invention, new techniques of production, or improved work-force skills as determinants of productivity and, therefore, of output.

Luther H. Hodges

Just how big an oversight this was has now become apparent. In the past two decades, we have been able, through econometric techniques, to focus far more precisely on the question of what makes economies grow.

In this country, studies at the National Bureau of Economic Research, at RAND, at Massachusetts Institute of Technology, at the University of Chicago have compared—for varying time periods since 1900—increases of output with increases in tangible inputs of land, manhours of labor, and plant and equipment.

These studies have found that growth of output has far outstripped growth of the conventional inputs. In fact, less than half the rise in output since 1900 can be accounted for by increased amounts of labor and capital. The rest, we must deduce, has come largely from the improved skills and education of the labor force and from advances in management and technology.

R. & D. and Industry Growth

How much of this "residual" growth element is pure technological progress remains to be pinned down. However, we do know, from studies of individual companies and industries, that there is a positive correlation between research and development and growth.

One study of 400 large companies found that the high-growth firms—that is, those with rapidly expanding sales and net profits—tended to be the ones making highly technical products, presumably involving extensive research and development. Moreover, on the basis of industry surveys, we have learned that there is a definite correlation between research and development effort, as a per cent of sales, and both productivity and profitability.

We also know, from analysis by the Commerce Department of production trends for over 300 products and services, that the development of new products for consumer and industrial markets has been a potent factor in the long-term growth of this country's manufacturing output.

Between 1948 and 1960, for instance, many of the products that scored the biggest gains in production—in other words the pacemakers in our over-all manufacturing growth — were relatively new. In the group of products that increased in output by more than 20% a year, you find, to name a few, transistors, heat pumps, polythelene, air conditioning, synthetic fibers.

In the industry, glass fibers, which first came into commercial production in the late 1930s, have now become a major fabricating material. Since 1950, sales volume has been growing at a rate of 14% a year, and there are now more than 30,000 applications for fiber glass, in addition to its use as insulation.

One can find fiber glass in fishing rods, golf clubs, luggage, contour furniture, swimming pools, boats, roofing shingles, acoustical ceilings, oil storage tanks, radar housings—it's all about us. And how did it happen? Through research and development, first in creating the original product, then in seeking new and imaginative application for it.

Glass-ceramics are a much newer innovation, but already they are being used in serving utensils that you can cook with, or freeze in, and in missile nose cones. Their strength and hardness, plus their thermal and electrical qualities, suggest they can be tailored to broad use in aviation, electronics, and industrial and chemical processing. Then there is structural glass. We've all seen how its development has created and broadened a market and made possible a whole new style of architecture.

In short, while we have still to measure the precise power of research and development, we have come to recognize that it can pack a tremendous economic wallop.

New Products and New Industries

When you consider that research and development gives rise not only to new products and new industries but to improved machines to make the products and improved processes and methods to use in the machines, it seems quite possible that it may prove

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OBSERVATIONS...

BY A. WILFRED MAY

THE U. N.'s FINANCES IN CRISIS

President Kennedy's reiteration of the optimistic assumption, when queried on the United Nations' current bond issue at his August 22 news conference, that the World Court's "decision" has supplied a solution for the Organization's financing problems, seems unwarranted.

This widely held interpretation is based on the assumed debt "dunning" effectiveness of the Court's ruling that the special peace-keeping expenses, as for Katanga and the Middle East, constitute regular expenses to be shouldered by all members—with non-payment depriving them of their voting rights in the General Assembly.

Potential Road-Blocks

But there are many potential factors which can block the actual effectiveness of the Court's ruling.

The latter is merely an *Advisory Opinion*, whose implementation via defaulters' disfranchisement must, under the U. N. Charter, be formally validated in principle by a two-thirds Assembly majority. Such approving resolution may be impossible to get, particularly in a form that is not unduly watered down.

Moreover, it should be realized that even if the Assembly comes through with a satisfactory resolution in September: (1) the time of a debtor nation's actual arrival at the effective "default" status is, under the Charter, a highly technical and uncertain event. The U. S. S. R., even non-paying the entire amount of its military share, would not be in default until 1964; and this delay could be further stretched by the transmittal of partial payments of its entire "bill." (2) a affiliate, as the Soviet, having its silenced Assembly voice represented through satellites or other blocs, may not consider its own disfranchisement there an unbearable penalty; and (3) in any event, those recalcitrant debtors who are "untouchable" Permanent Members of the Security Council, as the U. S. S. R. and France, might rest on the assurance that they will thereby still retain substantial authority, including the Veto power.

The need for more time to take cognizance of the actual reactions of defaulters to the Court Opinion enhances the mistake in handling the present emergency with bonds carrying a 25-year maturity.

Future Financing

It is apparently too late to make a major change in the terms of the current loan—even on the still pending U. S. credit—particularly since $28 million of other countries' $75 million total pledges have been paid in; and the bonds issued, with the proceeds being spent. But needed changes can and should be made on *future* aid.

Shortening the maturity, to perhaps two or three years would, in any event, be constructive in establishing effective deadlines for putting the Organization's financial housekeeping in order. And it would forestall permanentizing the World Body's de-internationalization and Uncle Sam's stand-by posture.

* * *

LONG-AWAITED FUND BIBLE

The epochal "Wharton School Study" of the mutual fund world, long awaited since its authorization in 1956 and its actual preparation since 1959, has finally arrived! "A STUDY OF MUTUAL FUNDS," *by Irwin Friend, F. E. Brown, Edward S. Herman, and Douglas Vickers, prepared for the Securities and Exchange Commission by the Securities Research Unit, WHARTON SCHOOL OF FINANCE AND COMMERCE, University of Pennsylvania*, it is an exhaustively researched 595-page fact-packed document replete with a wealth of tables, charts and appendices. With full-length Letters of Transmittal from Professor Friend to the Securities and Exchange Commission, and from SEC Chairman William C. Cary to the House Committee on Interstate and Foreign Commerce, together with a covering statement by its Chairman, Rep. Oren Harris, is now available for thorough scrutiny by the lawmakers and the SEC, and for the enlightenment of investors.

The findings in this area will provide a major basis for inclusion in the SEC's obligation under the Mack Resolution, which House action established the Commission's Special Study of the Securities Markets, to report its final over-all recommendations to the Congress by April 3, 1963. This is the first major inquiry into the investment companies since the "Report on Investment Trusts and Investment Companies" by the Securities and Exchange Commission published 1939-42, on which the industry's first and only specific statute, the Investment Companies Act of 1946, was based. As SEC Chairman Cary explains, is "obviously a study of the striking growth of the mutual fund industry during the past few decades, and of its impact upon the securities markets, both in the substantial share it represents of securities distributed over-the-counter and in the tremendous portfolio it possesses of both listed and unlisted securities, is highly significant to an understanding of today's markets."

The Study's Constructive Authorship

Delving into this most highly controversial field, the required Study's production by extra-mural academic experts is eminently constructive in avoiding bias and the pre-conceived answer. (While insisting that the instant Report is "grossly unfair," and even a "rotten egg," Charles H. Schimpff,★ President of the Investment Company Institute, the trade organization, and of The American Mutual Fund, concedes that it is "less biased" than the intra-murally compiled Study by the SEC which led to the industry's previous statute of 1940.) *The present document is a report to, not by, the Commission.* The Commission has directed its staff to analyze the Study with a view to making recommendations which "may seem appropriate."

Both the Report itself and SEC Chairman Cary's transmittal letter are actually replete with exculpatory and even laudatory expressions. Surely they belie the ascribed "bombing" of the industry. Also ascribed by its infuriated spokesmen. For example, on the question of *size*, which originally keyed the inquiry, the Study concludes that "there is little evidence that size *per se* of individual funds or companies is a problem at the present time."

Again "favorably," the Study reports (possibly stretchingly) that "individual mutual fund shareholders do not pay higher management fee rates than they would incur through other institutional investment channels."

And on the vital share redemption question, where abuse particularly *vis-a-vis* the "load" (buying commission) might have been cited, the Report confines itself to asserting "the relative stability or continuity of shareholders' investments . . . evidenced by the low rates of turnover of mutual fund shares. In each year 1952-58 the turnover rate of investors' shareholdings in the various funds was lower than the rate of turnover of all stocks listed on the New York Stock Exchange."

Intransigent industry spokesmen have adopted unwittingly the posture of agreeing with the Report when it praises, but castigating it whenever it criticizes the Funds.

No "Operation White-Wash"

We, of course, are in no way implying that the Study's findings represent an *Operation White-wash*. In the areas of conflict-of-interest, investment advisers' status, management fees, beating-the-market performance, portfolio churning, reciprocal arrangements, as the use of brokerage commissions for rewarding dealers who sell the fund's shares, sales charges, accumulation and instalment plans, etc. (on all of which we shall comment in subsequent articles), the Study expatiates decisively and fairly — supported by a wealth of invaluable and thorough documentation.

They have thus paved the way for legislative reforms, starting with the basic reform of corporate set-ups, and voting rights.

Reporting Timetable

The Congressional order for the Study was originally concerned with the effects of *size*. But because it became apparent that the problem of size could not be investigated without covering the small as well as the large funds, and also because the Commission recognized the timely need for analyzing the activities of investment advisers, the factual background of the Study was later enlarged to include the *entire* mutual fund industry.

Voluminous as the currently finished Study is, "significant gaps," the authors disclose, are left and are "already the subject of inquiry." The territory to be additionally covered in a subsequent Report includes sales techniques, the adequacy of training and supervising salesmen (including the *part-time* problem), and the possible use of "inside information." Data here are largely being amassed through direct questioning of investing consumers bymart and personnel interview.

Glaring Omission

A most "material omission" in the present Study lies in the *closed-end* company field, with practically no attention paid thereto. We understand that this stems from the feeling that no "dramatic" activities are exhibited here.

This soft-pedaling will likely be continued in the later Study—although possibly interlocking arrangements, as allegedly exemplified by Lehman Corporation and One William Street, will be looked into.

Practices touching on the closed-ends that should not be neglected include their sale of additional stock below asset value (which, permitted by the present holder assessment to avoid dilution); relations with director-affiliated brokerage firms; negligence in buying-in their own shares when available at substantial discounts; and comparison with the open-ends in such matters as portfolio-churning, window dressing activities, etc.

In any event, the Study's data made available thus far are truly invaluable to the Fund industry as well as to the regulatory authorities, the Congress and the investing public. We hope the first-named realizes this!

★ Mr. Schimpff's statement appears on page 10.

Complete Ponce, P. R., Bond Sale

Juan Luis Boscio, Mayor of Ponce, Puerto Rico, accepts check Aug. 29 at the offices of The Chemical Bank New York Trust Company, from John E. Glynn, Jr., Manager of the bank, on behalf of The Chemical Bank and Banco de Ponce which recently marketed $2,300,000 bonds of the Municipality of Ponce, second largest city in Puerto Rico.

Photo shows (left to right)—Mr. Glynn; Mayor Boscio; Carmen Carlo, Secretary of Ponce, and Ugo J. Lisi, Vice-President of Banco de Ponce.

Equity Financial

PHILADELPHIA, Pa.—Equity Financial Planning Corporation, is engaged in a securities business from offices at 46 West Washington Lane. Officers are Harold Wolfe, President and Treasurer; Emmet P. Dormer, Vice-President; and John F. Slack, Secretary. Mr. Wolfe and Mr. Dormer were formerly with Mayo & Co., Inc.

Simplex Lock Rights Offering To Stockholders

The company is offering holders of its common stock and that of Associated Development & Research Corp., majority stockholder, the right to subscribe for an additional 20,000 $1 par common shares at $8 per share on the basis of one new share for each 10 held and one new share for each 30 shares of Associated stock held. Record date for the offering is Aug. 21, and the rights expiration date Sept. 17. Charles Plohn & Co., and B. W. Pizzini & Co., Inc., New York City, are the underwriters.

Simplex of 150 Broadway, New York City, is engaged in the business of developing and selling a new type of security device called the Simplex Push Button Lock. The device consists of a row of five buttons numbered one through five, and an adjacent knob. It is opened by pressing one or more of the buttons in a pre-selected sequence and then turning the knob to the right. The number of possible combinations on a five-button lock exceed 1,000. They can be easily reset by the owner.

Net proceeds from this offering will be used for the initial costs of tools and dies and tooling up for production of complete lock units; for additional research and development of 7 and 10-button locks, and for working capital.

Form Douglas Co.

Lawrence H. Douglas & Co., Inc. has been formed with offices at 15 William Street, New York City, to engage in a securities business. Lawrence H. Douglas, formerly with Alex. Brown & Sons, is President of the new firm.

Phila. Secs. Ass'n Plans Field Trip

PHILADELPHIA, Pa. — General Drive-In Corporation has invited members of the Philadelphia Securities Association on a field trip Wednesday, September 12. Buses will leave the Fidelity-Philadelphia Trust Building at 3 p.m. for a tour of the Cherry Hill Shopping Center and Theater. Richard A. Smith, President of General Drive-In, will address the group at the Cherry Hill Inn following the tour.

General Drive-In operates the theater and drive-in facilities at the Center.

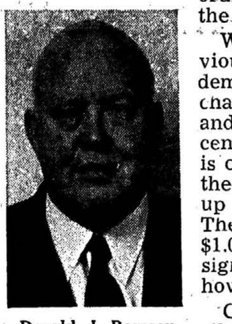
Edwin J. Pearson of Smith, Barney & Co., is in charge of arrangements.

The Silver Situation

By Rear Admiral Donald J. Ramsey, USN-Ret.,*
Legislative Counsel, Silver Users Association, Washington, D. C.

Silver Users' spokesman asserts today's silver market is closed and controlled—with Bank of Mexico serving as its "Miltown" tranquilizer. Maintains a free market is prevented by 90½-cent per ounce support price legally prescribed for domestic production; and by the 50% profit tax on market sales. Admiral Ramsey urges repeal of Silver Purchase legislation of 1934, 1939, and 1946; and elimination of 50% tax on silver bullion transfers.

The silver market today is a closed, controlled market. At a recent hearing held by a Senate Interior Subcommittee, a witness, who is identified with silver producers, testified as follows: "Actually we do not have an open market in New York. It is very closed."



Donald J. Ramsey

In the July 15, 1962 issue of *Forbes Magazine* there is an article about silver in which the following statement is made: "Simon Strauss, a Vice-President of American Smelting & Refining Co., points out that the speculators would have pushed the price even lower this spring but for the support operations by the Bank of Mexico."

"The Bank of Mexico," says Mr. Strauss, "is always the Miltown of the silver market."

This is not the first instance where we have learned of operations which take place in the silver market.

Mr. Strauss, speaking about the price of silver before the Mining and Metallurgical Society of America on Dec. 17, 1959, said:

"Now this price fluctuated, but fluctuated much less than the average price for raw materials. The reason for this was that the Bank of Mexico, which knows a good thing when it sees it, had recognized from what had happened during World War II what the basic situation in silver was. Mexico, as we all know, is the world's largest producer of silver. And the Bank of Mexico, under the very able management of its Director, Don Rodrigo Gomez, recognized that a very small amount of market operation on the part of the Bank would be sufficient to stabilize the price of silver to a considerable degree.

"Whenever the silver production appeared to be momentarily in excess of consumption, the Bank of Mexico bought. Whenever demand increased and production did not, the Bank of Mexico was willing to sell. This operation was carried on for about 14 years and it has been done with more success, more skill, and incidentally, a more profitable result than any other government operation in the field of non-ferrous metals with which I am acquainted. The Bank of Mexico has made a consistent profit out of this. They have succeeded in putting a floor under the price of silver, and in the long run they have liquidated this stock at a substantial profit."

These statements certainly raise some questions in the minds of those who use silver.

The Market Maker

In the absence of a free commodity market the quoted price in New York for silver is the price at which silver is offered to Handy and Harman in quantities sufficient to meet their daily requirements. Those who supply silver to Handy and Harman determine the price.

It would be of considerable interest to know the mechanics of this "very small amount of market operation." For instance, how does the Bank know when and where silver must be taken off the market? It would seem this operation must require close coordination and cooperation with the silver producing interests.

Why is it that regardless of obvious fluctuations in supply and demand, the price remains unchanged for about four months and then suddenly rises three cents in four days when demand is obviously light? Why then does the price go down 1¾ cents and up two cents in similar periods? The price has fluctuated between $1.01½ and $1.04¾. What is the significance of these limits and how are they determined?

Certainly operations in the silver market are facilitated by the lack of a free and open commodity market.

Since last November the price of silver has risen from 91⅜ cents to $1.04¾, about 15%. The producers are talking about a price of $1.29—a further increase of 25%. What would this do to those who depend on silver products for their livelihood?

We do not know what the price of silver would be in a free market. But at least we could see all the cards on the table. A free and open market would be far less subject to manipulation or control.

Dillon's Proposals

On Nov. 27, 1961, Secretary Dillon recommended to the President that appropriate legislation be requested promptly to remove the Treasury from an active role in the markets for the purchase and sale of silver and to permit trading in silver as a primary commodity. To this end he requested the immediate repeal of pertinent silver laws as well as the silver transfer tax.

On Nov. 28, 1961, President Kennedy stated that he intended to recommend this action to Congress when it reconvened. The President stated that such action would permit the establishment of a broad market for trading in silver on a current and forward basis comparable to the markets in which other commodities are traded.

Accordingly, on Feb. 20, Secretary Dillon submitted a draft of a bill to the Congress to accomplish these ends. This bill was introduced in the Senate as S.2885 and in the House as H.R.10384. No hearings have as yet been held on these bills although the Administration has indicated that it will seek action at the earliest possible date. Members of Congress as well as the Administration should constantly be reminded of the urgency for such action.

The May 28, 1962 issue of *Newsweek* contained a statement that the President has privately informed Senator Frank Church of Idaho that he will not push for action this summer on a bill opposed by Mr. Church and his constituents—repeal of the Silver Purchase Act. In view of the fact that the President has already stopped Treasury sales to the market and thus greatly benefited the producers, it is difficult to believe he would make a private agreement to delay action which will remove the Treasury from the market as a purchaser and which will permit the operation of a free market.

Sen. Church's Views

On Nov. 29, 1961, a Spokane, Washington paper stated Mr. Church's views as follows: "I am no more interested in artificially inflated prices for silver than in artificially depressed prices. All that I ask is that the price of silver be allowed to reach its natural level in the free market and that Treasury sales which pegged the price below the proper level be discontinued."

In February, 1962, Senator Church was quoted as stating that he sees little support behind any move to protect the 91 cents "insurance" purchase floor. He said that if the Treasury is asked to stop selling, then it will have to be asked to stop buying. He further stated that "the stopping of silver sales, the removal of the transaction tax and assurance that Treasury silver would only be used for coinage should be a satisfactory price for the mining industry."

The mining industry has received part of its "prize" in the stopping of Treasury sales. Surely the Senator would not take private action to prevent receipt of the rest of the "prize," i.e., removal of the transaction tax.

Some producers oppose action on legislation to repeal the pertinent silver laws until the silver market stabilizes. This is a vicious circle since obviously the silver market cannot stabilize until the laws are repealed.

Opposition has been expressed to the retirement of silver certificates and their replacement with Federal Reserve notes in order to free silver for use in subsidiary coinage. It has been stated that this action places a burden on our gold monetary reserve. Actually, the 55 million ounces of silver used annually for coinage requires the retirement of approximately $70 million in silver certificates. The replacement of this amount with Federal Reserve notes requires a reserve of 25%, or approximately $17 million in gold. This gold is not lost but is simply earmarked to remain in this country.

Mr. Robert M. Hardy, Jr., President of Sunshine Mining Co., who brought up the question of this so-called burden at a Senate Interior Subcommittee hearing, proposed that the Treasury purchase domestically produced silver for its coinage needs. Inasmuch as domestic production is only 35 million ounces, the additional 20 million ounces would have to be obtained from foreign sources. This would mean a loss of at least $20 million in gold. In addition, 35 million ounces of domestic silver removed from the market would have to be replaced with foreign silver which would mean a loss of at least $35 million in gold. In other words, instead of earmarking $17 million in gold which would remain in this country, Mr. Hardy would have us lose at least $55 million in gold and probably much more as the market price was forced up. *This action* would certainly be a burden on our gold monetary reserve, but it would push up the price of silver to $1.29 per ounce over-night which is, of course, the objective of all silver producers.

Silver a By-Product

There has been considerable misinformation disseminated about silver. The recent increase in the price of silver will not result in additional silver production. Approximately two-thirds of the production of silver in the United States comes as a by-product in the production of copper, lead and zinc. With these metals in oversupply, no one is going to produce more of these metals in order to produce more silver. The remaining one-third is produced from silver ore, mostly located in the State of Idaho and by a handful of producers. Here again, other factors besides price determine production.

Let's look at the effect of the silver policies of this country since 1933. Since that time, by law or administrative action, the U. S. Treasury has been required to take three billion ounces of silver off the market. This is an average of 100 million ounces a year or an amount equal to our present annual consumption. Had this silver been available in the market, merchants would probably be selling silver products at about one-half the price they are required to ask today. Repeal of the pertinent silver laws will not return to us the silver which has been taken away, but it will prevent further purchases of silver by the government and will permit the operation of a free commodity market.

Prior to the Administration's action in requesting silver legislation, 12 Senators, under the leadership of Senator Pastore, introduced S.2420 to repeal the pertinent silver laws. The Administration's action supports these senators in their effort to obtain a free market for silver.

ED. NOTE: Admiral Ramsey also made available the following "Summary of the Silver Situation."

Silver—July, 1962

Silver is essential to industry. Its price is of vital concern to the industrial users of silver, dealers in silver products and the consuming public. A free market, comparable to the markets in which other commodities are traded, is urgently needed.

A free market does not exist today for the following reasons:

(1) A support price of 90½¢ per ounce provided by law for domestically produced silver.

(2) A 50% tax on the profit resulting from the sale of silver in the market.

The Administration and members of both parties in Congress have asked for the enactment of legislation which will permit the establishment of a free market for trading in silver on a current and forward basis. This will require the following:

(1) Repeal of the Silver Purchase Act of 1934; Section 4 of the Act of July 6, 1939 and Act of July 31, 1946.

(2) Elimination of the 50% tax on transfers of interest in silver bullion as incorporated in the Internal Revenue Code of 1954.

The 1939 and 1946 Acts require U. S. Mints to accept domestically produced silver at 90½¢ per ounce. This provides an unwarranted support price.

The 50% tax was provided for in the Silver Purchase Act of 1934 in order to prevent speculation while the Treasury was pushing up the price through purchases of silver. Since 1942, no Secretary of the Treasury has deemed it to be in the public interest to purchase silver under this Act, and it must be repealed along with the elimination of its protective tax.

Silver is not needed for reserves. Gold is our standard money whereas silver has no guaranteed value. A silver dollar contains approximately three-quarters of an ounce of silver (.773 oz.) This amount is currently worth about 79¢ in a market where the price has recently fluctuated between $1.01½ and $1.04½ per ounce. Silver has no other real value. Consequently the dollar in silver reserves is not acceptable in international financial transactions such as payment of foreign claims against the United States.

Silver is used in subsidiary coins — viz., half-dollars, quarters and dimes. The President has directed the gradual withdrawal of silver from the Treasury's huge reserve of 1.7 billion ounces and that it be used in minting coins. This will make the silver hoard of some use to the public. The Treasury makes a profit of nine cents an ounce in this transaction.

The following bills to repeal pertinent silver laws are now pending before the Banking and Currency Committees: S.2420 (Senator Pastore and others) S.2885, H.R.10384 (at request of the Administration) and H.R.390 (Mr. Heistand).

*An address by Mr. Ramsey before Advisory Council of the Retail Jewelers of America, Inc., New York City.

Texas IBA Group Meeting Dates

DALLAS, Tex.—The Texas Group Investment Bankers Association Convention will be held April 3rd, 4th and 5th, 1963 at the Statler Hilton Hotel in Dallas.

Tax-Exempt Bond Market

*By GEORGE L. HAMILTON**

The state and municipal bond market has continued the trend of the past three weeks to substantially higher levels in all categories of tax-exempt bonds during the past week. The *Commercial & Financial Chronicle's* high grade general obligation, 20 year bond Index was reduced in average yield from 3.073% at last week's writing to yesterday's figure of 3.046%. In terms of dollars, this gain is over three-eighths of a point. During this same period, the dollar quoted municipal and revenue issues, in most instances, have also made good advances. Quotations are generally up one-quarter point or more.

Light Calendar Ahead

The technical factors which contributed to the abrupt change in sentiment three weeks ago continue in force and would appear to justify, at present, the higher prices which now exist for tax-exempt bonds. The calendar of scheduled new offerings, in all phases of the bond market, continues to be very light. This condition generally prevails around the Labor Day holiday but we can usually peer into the Fall and see numerous important issues around the corner, but at the moment there are no prospective underwritings of size on the horizon. While the situation could change overnight, at present writing, we do not even hear rumblings of anything large. The U. S. Treasury markets continue to push into higher ground in a modest way and there has been no selling pressure on these markets. A good demand for Treasury bills was in evidence from non-bank investors last week and again this week and the rate declined to this week's figure of 2.806% for the 91 day paper and 2.916% for the 182 day bills.

The corporate bond market worked steadily higher as good demand was in evidence and the low ebb of recent financings made seasoned attractive bonds hard to find. Many of the recent available offerings moved up one-half of a point or more since last reporting.

The recent hearings in Washington of the Joint Economic Committee did nothing to encourage the prospective stock buyer and to indicate anything but a sluggish economy. Also, the President's speech on the economy and tax cuts now means that the Treasury will not have to come to market for additional funds and flood the market with bonds.

This country's money markets also looked a bit better this past week, if only on the strength of a steady gold level. Gold stocks remained unchanged for the third straight week and the Reserve ratio, after plummeting to a level of 33.2%, turned up one-tenth of a percentage point this week. The minimum percentage is 25%. The Tuesday, Aug. 28, Treasury report covering Thursday (Aug. 23) transactions shows a $34,000,000 loss in the gold supply this week. This, however, is a modest amount and no real cause for concern.

All of the previously mentioned factors were instrumental in investors moving into the tax-exempt bond market to get idle funds invested. This rush to municipal bonds was highlighted by commercial banks, both in New York and across the country, buying heavily for bank portfolio account. This large buying cut rapidly into dealers' inventories and produced a quick upward price adjustment. Then, when casualty insurance companies, coupled with large individual buyers, came into the market, scarcity was the inevitable result and brings us to today's market.

Successful August Developments

What has happened, in detail, in the municipal bond market in August is well worth repeating and we will try to be as concise and brief as possible. Three weeks ago (Aug. 8, 1962) our average stood at 3.123% and today, it stands at 3.046%. This amounts to a gain of over $13. The *Blue List* float of available offerings was at $460,542,500 and during the past week, this total was as low as $281,000,000. The new issue schedule early in August totaled just over $405,000,000 and there were numerous large issues included in this calendar to cause hesitancy and worry to underwriters. The past month has seen all of these issues successfully underwritten and placed and the market continues in strong technical balance. During this month, 134 accounts were marked all sold and during one week, Aug. 20 to 27, 1962, 59 issues were marked all sold and the accounts closed.

Dollar quoted revenue issues also gave a great performance during the past month. Four weeks ago, our revenue bond average stood at 3.872%. Today our index is 3.779%. This amounts to over 1¾ points, but there are many individual issues which outperformed our index. As examples: Chicago Calumet Skyway 4⅜s were up six points; Chicago Calumet Skyway 3⅜s up five points; Kansas Turnpike 3⅜s up four points; Massachusetts Turnpike 3.30s up 3¾ points; both issues of West Virginia Turnpike bonds up 3¾ points and Oklahoma Turnpike 4¾s up 3½ points.

All in all, it has been a very successful month for municipal bond underwriters and dealers.

This past week was relatively unimportant in municipal bond circles as far as general activity is concerned The last week of August is traditionally quiet and this year was no exception except that the price gains of the previous weeks were carried on. The calendar of sealed bids totaled only $76,305,000 and there were only a handful of flotations to report about. Bidding, however, continued very competitive and the overall reception by investors was just fair. However, dealers were aware of the rapidly rising prices and in order to build up some inventory, made very high bids.

Week's Sales

A week ago today saw two sales of note and oddly, both involved towns in Massachusetts. Beverly, Massachusetts awarded $2,000,000 school and water bonds due 1963-1982 to the group headed by Glore, Forgan & Co. at a net interest cost of 2.7096%. The runner-up bid of a 2.7165% net interest cost was made by Halsey, Stuart & Co., Inc. and associates and there were nine other bids, ranging from 2.72% net interest cost to 2.84% net interest cost, for this issue. Other major members of the winning group include Wertheim & Co., Connecticut Bank and Trust Co., J. C. Bradford & Co. and Cooley & Co. The bonds were offered to yield from 1.60% to 3.05% with today's balance $1,660,000.

Waltham, Massachusetts sold $2,000,000 municipal service center (1963-1982) bonds to the syndicate headed by Halsey, Stuart & Co., Inc. on their dollar price bid of 100.6599 for a 2.90% coupon. The second dollar price bid of 100.439 also for a 2.90% coupon was made by Chase Manhattan Bank and Phelps, Fenn & Co. There were also nine additional bids made for this issue. Other major members of the winning group were Goldman, Sachs & Co. and Weeden & Co. Scaled to yield from 1.60% to 3.05%, about 30% of the bonds have been sold.

Friday and Monday were void of any important new issues but last Tuesday saw three loans of importance eagerly bid for.

East Chicago, Indiana awarded $7,500,000 Water Works revenue (1965-1987) bonds to the syndicate headed by Halsey, Stuart & Co., Inc. at a net interest cost of 3.6991%. The runner-up bid designating a 3.772% net interest cost was made by the Smith, Barney & Co. group. Other major members of the winning syndicate include Drexel & Co., Shields & Co., F. S. Smithers & Co., Blair & Co., Inc., R. W. Pressprich & Co., Weeden & Co., Inc., American Securities Corp., First of Michigan Corp., R. S. Dickson & Co., Inc., Reynolds & Co., Francis I. duPont & Co. and George B. Gibbons & Co., Inc. Reoffered to yield from 2.25% in 1965 to 3.70% in 1986, this issue, to date, has not generated general investor demand, with the present balance $5,935,000. The 1987 maturity carried a 2% coupon and was offered at a 4.70% yield.

The account headed by The Northern Trust Co. was the high bidder for $5,700,000 Tulsa, Oklahoma various purpose (1965-1987) bonds at an approximate interest cost of 2.98%. Other major members of this account include Harris Trust and Savings Bank, Chase Manhattan Bank, First National City Bank, Bankers Trust Co., Marine Trust Co. of Western New York, Mellon National Bank and Trust Co. and City National Bank and Trust Co., Kansas City. The bonds were scaled to yield from 2.00% in 1965 to 3.20% in 1985 and upon offering, all of the bonds were immediately sold. The 1986 and 1987 maturities carried a one-tenth of 1% coupon and were sold at a 4.20% yield. With the bank makeup of this account, it is surprising that even an order period was necessary to sell the bonds.

Jackson County (Pascagoula), Mississippi awarded $4,000,000 Water (1964-1987) bonds to Phelps, Fenn & Co. and associates at a net interest cost of 3.4954%. The second bid of a 3.512% net interest cost came from the group

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*Pinch-hitting for Donald Mackey.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1982	3.30%	3.20%
Connecticut (State)	3¾%	1981-1982	3.15%	3.00%
New Jersey Highway Auth., Gtd.	3%	1981-1982	3.05%	2.90%
New York State	3¼%	1981-1982	3.05%	2.90%
Pennsylvania (State)	3⅜%	1974-1975	2.80%	2.65%
*Delaware (State)	2.90%	1981-1982	3.05%	2.95%
New Housing Auth. (N. Y., N. Y.)	3½%	1981-1982	3.05%	3.90%
Los Angeles, Calif.	3¾%	1981-1982	3.40%	3.25%
Baltimore, Md.	3¼%	1981	3.20%	3.10%
*Cincinnati, Ohio (U. T.)	3½%	1981	3.10%	2.95%
Philadelphia, Pa.	3½%	1981	3.35%	3.20%
*Chicago, Ill.	3¼%	1981	3.30%	3.20%
New York, N. Y.	3%	1980	3.45%	3.40%

August 29, 1962 Index=3.046%

*No apparent availability.

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.

September 1 (Saturday)			
Jacksonville, Fla.	7,650,000	--------	--------
September 4 (Tuesday)			
Monroe County Third and Fourth Super. Districts, Miss.	1,000,000	1963-1987	2:00 p.m.
Riverside Jr. College Dist., Calif.	2,000,000	1963-1982	11:00 a.m.
San Bernardino H. S. Dist., Calif.	1,200,000	1963-1982	11:00 a.m.
Weber Co. Co. Sch. Dist., Utah	1,857,000	1963-1971	8:00 p.m.
September 5 (Wednesday)			
Bellingham, Massachusetts	1,390,000	1963-1982	11:00 a.m.
Chatham County, Ga.	1,000,000	1967-1991	11:00 a.m.
Georgia Univ. System Bldg. Auth., Atlanta, Georgia	1,000,000	1965-2002	11:00 a.m.
Hidalgo Co., Texas	1,200,000	1963-1971	10:00 a.m.
Mio Au Sable Sch. Dist., Michigan	1,084,000	1963-1988	8:00 p.m.
Montville, Connecticut	1,500,000	1963-1977	2:00 p.m.
Neenah, Wisconsin	2,225,000	1963-1982	1:30 p.m.
Southeast Missouri State College	2,500,000	1965-2002	--------
Spokane Co. Washington	2,500,000	1966-1987	10:00 a.m.
September 6 (Thursday)			
Cuyahoga Co., Ohio	1,471,270	1964-1982	11:00 a.m.
Dutchess County, N. Y.	1,306,000	1963-1991	11:00 a.m.
Fayette Co., Pennsylvania	1,262,000	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.
Racine, Sturtevant, etc., Unified Sch. Dist. No. 1, Wisconsin	10,025,000	1963-1982	2:00 p.m.
Willow Run P. S. Dist., Michigan	1,500,000	1963-1977	7:30 p.m.
September 10 (Monday)			
Jackson Tp. S. D., N. J.	2,000,000	--------	8:00 p.m.
Northside Indep. Sch. Dist. Texas	1,200,000	1964-1990	7:00 p.m.
Rockledge, Fla.	1,300,000	1965-1992	9:00 a.m.
University of North Carolina, Bd. of Trustees, Raleigh, N. C.	3,800,000	1964-2001	10:30 a.m.
Westminster, Water, Colo.	1,650,000	1972-1987	11:30 a.m.
September 11 (Tuesday)			
Acalanes Union H. S. D., Calif.	1,220,000	1963-1982	10:30 a.m.
Anne Arundel County, Md.	3,850,000	--------	11:00 a.m.
Georgia Ports Auth. (P.O. Atlanta)	2,600,000	1963-1982	Noon
Lakewood Sch., Dist., Michigan	1,655,000	1963-1991	8:00 p.m.
Pittsburgh, Pennsylvania	4,320,000	1963-1982	10:00 a.m.
Pontiac, Mich.	3,770,000	1965-1996	8:00 p.m.
Redlands Jt. Union H. S. D., Calif.	1,000,000	1963-1982	11:00 a.m.
Santa Clara, California	1,020,000	1965-1997	8:00 p.m.
September 12 (Wednesday)			
Grandville School District, Mich.	2,150,000	1964-1988	7:30 p.m.
Jackson Tp. Sch. Dist., N. J.	2,000,000	1964-1984	8:00 p.m.
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.
Rhode Island (State of)	10,150,000	1963-2002	--------
Sacramento, Small Craft Harbor Improvement, Calif.	4,000,000	--------	10:00 a.m.
San Jose, Calif.	4,400,000	1963-1982	11:00 a.m.
Toledo, Ohio	1,700,000	1963-1992	Noon
September 13 (Thursday)			
University of Alaska, Fairbanks, Alaska	1,750,000	1964-2001	3:00 p.m.
September 17 (Monday)			
Warrensville Hghts Village Local S. D., Ohio	1,600,000	1964-1985	1:00 p.m.
September 18 (Tuesday)			
Bloomington, Minn.	1,500,000	--------	10:00 a.m.
Dover, Dela.	19,715,000	1964-1982	11:00 a.m.
Omaha, Neb.	7,200,000	1964-1981	11:00 a.m.
Weber Co., County S. D., Utah	1,727,000	--------	--------
Ypsilanti Tp., Michigan	1,000,000	1965-1992	8:00 p.m.
September 19 (Wednesday)			
Englewood Water District, Fla.	1,250,000	1967-1992	2:00 p.m.
Onaway Area. Community S. D., Michigan	1,200,000	1964-1991	8:00 p.m.
September 20 (Thursday)			
Fairbanks, Alaska	3,000,000	1964-1984	3:00 p.m.
September 25 (Tuesday)			
Detroit School District, Mich.	10,000,000	1963-1988	11:00 a.m.
Eugene, Ore.	2,500,000	--------	--------
Greensboro, N. C.	6,790,000	--------	--------
September 26 (Wednesday)			
Clearwater, Fla.	1,100,000	--------	--------
October 2 (Tuesday)			
Los Angeles County Flood Control District, California	10,000,000	--------	--------
October 10 (Wednesday)			
Falls Chuch, Virginia	1,200,000	1963-1987	Noon
Lexington, Ky.	1,025,000	--------	--------
October 16 (Tuesday)			
Georgia Rural Roads Authority	2,600,000	--------	--------
November 14 (Wednesday)			
Houston (Waterworks Rev. Bonds), Texas	14,000,000	--------	--------

Tax-Exempt Bond Market

Continued from page 6

headed by The First National Bank, Memphis, Tennessee. Associated with Phelps, Fenn & Co. as major underwriters are R. W. Pressprich & Co., Blair & Co., Inc., Paine, Webber, Jackson & Curtis, William E. Pollock & Co., Inc., Interstate Securities Corp. and Folger, Nolan, Fleming & Co. The bonds were offered to yield from 2.00% in 1964 to 3.70% in 1986 and upon offering, all of the bonds were sold. The 1987 maturity carried a one-tenth of 1% coupon and was offered at a 4.70% yield.

The most important new issue award of this week was Wednesday's sale of $33,300,000 Los Angeles, Department of Water and Power, California revenue bonds. This offering was composed of $21,000,000 Electric Plant revenue bonds due 1963-1992 and $12,300,000 Electric Plant Refunding revenue bonds due 1963-1986. The entire issue was won by the account managed jointly by Lehman Brothers and Harriman Ripley & Co., Inc. Their bid for the Electric Plant revenue bonds was a net interest cost of 3.18446%. Second bidder was The First Boston Corp. account with a 3.1911% net interest cost. For the smaller, Electric Plant Refunding revenue bonds the Lehman Brothers, Harriman Ripley & Co., Inc. group bid a 3.04994% net interest cost and the runner-up bid of a 3.058% net interest cost was made by The First Boston Corp. and associates.

Both issues were offered to yield from 1.60% in 1963 to 3.30% in 1986. The larger issue was then scaled out to 3.40% in 1986. Other prominent members of the winning account were Blyth & Co., Halsey, Stuart & Co., Inc., Smith, Barney & Co., Kidder, Peabody & Co., Blair & Co., Inc., and Weeden & Co., Inc. Pre-sale business was said to amount to about $10,000,000 and as we go to press, the reported balance is $19,000,000.

Next week's calendar, due to the Labor Day holiday, totals but $22,414,000 of bonds and includes no issues over $2,500,000. This is the lightest new issue week of this year to date. The calendar of sealed bids through Oct. 1, 1962 also continues unusually light with approximately $188,136,000 of bonds scheduled for competitive bidding. This is the lightest calendar of scheduled issues since this article was originated in January, 1960. We know of no changes in the negotiated calendar with no issues presently on the schedule.

Construction Strong, but Gain Over 1961 Lessens

F. W. Dodge Corporation's spokesman comments on construction industry's bright spots and weaknesses.

Construction continued at a good pace in July, but contracts for future construction are not showing such large gains over 1961 as was the case earlier this year.

Gordon W. McKinley

Construction contracts as reported by F. W. Dodge Corporation totaled $3,746,628,000 in July, a gain of 6% over July, 1961. The seasonally adjusted Dodge Index slipped from 120 in June to 117 in July.

Dr. Gordon W. McKinley, Dodge Vice-President and chief economist, said, "the failure to make a more impressive showing compared to July, 1961 is attributable principally to a drop in the pace of public engineering work, and educational and hospital building. All three categories are ahead of the first seven months of 1961, but in July educational and hospital contracts dropped below the same month last year and public works just managed a 1% gain.

"A bright spot in the month's figures," he said, "was the excellent showing by both commercial and manufacturing building. Manufacturing contracts surpassed July, 1961 by 25%, for a seven month gain of 24%; and commercial contracts were ahead of July, 1961 by 12%, for a seven month gain of 13%."

Residential contracts in July exceeded the year ago figure by 8%, substantially less than the 18% increase for the first six months of the year. Mr. McKinley noted, however, that comparisons are now running up against the high volume of residential building in the last half of 1961. "Residential contracts held level between June and July on a seasonally adjusted basis," he said. "In 1961, apartment contracts spurted upward in June, July, and August, so that one cannot expect to show as large year-to-year increases in the current months as was true earlier this year when comparisons were being made with the very low pace at the bottom of last year's recession. One- and two-family homes are maintaining their margin over 1961, with the July figure being 7% ahead and the seven months cumulative total 8% ahead."

Utility Gain Cited

Utility contracts in July were 27% above the same month in 1961, raising the seven month gain for this category to 11%. Outstanding were electric light and power systems with a July gain of 125% and a seven months margin of 47%. Despite the small increase in public engineering work, the excellent showing of utilities pushed the total engineering category 6% ahead of July 1961.

Mr. McKinley stated that there had been delays in moving public building jobs to the contract stage, particularly in connection with Federal Government projects. For this reason, public building contracts in the first six months were only 4% over 1961. "In the last half of this year," he said, "Federal Government work will probably begin to catch up to schedule, helping to maintain the volume of construction activity in the months ahead."

A summary of the latest figures follows:

	July 1962	July 1961	% Change
Non-residential building	$1,197,434,000	$1,154,200,000	+ 4
Residential building	1,622,728,000	1,501,563,000	+ 8
Heavy engineering	926,466,000	872,790,000	+ 6
Total construction	$3,746,628,000	$3,528,553,000	+ 6

	7 Months 1962	7 Months 1961	% Change
Non-residential building	$7,831,547,000	$7,135,455,000	+10
Residential building	10,782,791,000	9,259,636,000	+16
Heavy engineering	6,155,785,000	5,335,298,000	+15
Total construction	$24,770,123,000	$21,730,389,000	+14

DODGE INDEX
(1957-1959=100)

May 1962	117	July 1962	117
June 1962	120	July 1961	110

With North Amer. Secs.

LOS ANGELES, Calif. — John Dracott has been named a regional representative of the Commonwealth Group of Mutual Funds in the Southern California-Arizona area.

Mr. Dracott will be associated with John J. Hood, regional Vice-President in charge of the Los Angeles office of North American Securities Company, 210 West 7th Street.

A native of England, Mr. Dracott has been in the securities business in the Los Angeles area since 1958. Before joining the Commonwealth organization, he was with Dempsey-Tegeler & Co., Inc.

Form J. B. Andrews Co.

BROOKLYN, N. Y. — J. B. Andrews & Co. Inc. has been formed with offices at 2245 East 19th Street to engage in a securities business. Officers are Joseph Marcus, President, and B. Marcus, Secretary and Treasurer. Mr. Marcus was formerly with Stirling, Linder & Prigal, Inc., and J. A. Winston & Co.

Joins Raymond Moore

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—John E. Lalich has joined the staff of Raymond Moore & Co., 9465 Wilshire Blvd. He was formerly with Leo G. MacLaughlin Securities Co. and Pacific Coast Securities Company.

With Thomas Jay

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Sylvan J. Title has become connected with Thomas Jay, Winston & Co., Inc., 464 North Bedford Drive. He was formerly Sherman Oaks manager for Raymond Moore & Company.

E. F. Hutton Adds

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Lynde D. McCormick, Jr. has been added to the staff of E. F. Hutton & Co., 623 South Spring St. He was formerly with Eastman Dillon, Union Securities & Company.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Aerospace Stocks—Bulletin—Lubetkin, Regan & Kennedy, 44 Wall St., New York 5, N. Y.

Air Transport Developments — Bulletin—H. Hentz & Co., 72 Wall St., New York 5, N. Y. Also available is a report on **Montana Dakota Utilities** and a bulletin on the **Seaboard-Coast Line Merger.**

Aluminum Industry — Analysis — Edwards & Hanly, 100 North Franklin St., Hempstead, N. Y.

Canadian Electric Utilities—Bulletin—Watt & Watt Limited, 6 Jordan St., Toronto 1, Ontario, Canada.

Chemical Industry — Analysis — David L. Babson and Company Incorporated, 89 Broad St., Boston 10, Mass.

Electrical Equipment Industry — Analysis of outlook—Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available are bulletins on **Greyhound Corp., Hercules Powder Co., National Bank of Detroit, Random House, Stewart Warner** and **Savings & Loan Associations.**

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.

Investing in Electric Utilities — Brochure—Shearson, Hammill & Co., 14 Wall St., New York 14, New York.

Japanese Economy — Quarterly Analysis—Yamaichi Securities of New York, Inc., 111 Broadway, New York 6, N. Y.

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.**

Life Insurance Companies—Comparative analysis of 63 small and medium companies — Ralph B. Leonard & Sons, Inc., 25 Broad St., New York 4, N. Y.

More Take Home Income—Bulletin on California municipal bonds —Dean Witter & Co., 45 Montgomery St., San Francisco 6, Calif.

Mutual Fund Management Distributing Companies — Bulletin — Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

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.

Oil Company Earnings — Discussion—Carl H. Pforzheimer & Co., 25 Broad St., New York 4, 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.

Railroad Income Bonds — Comparison — Vilas & Hickey, 26 Broadway, New York 4, N. Y.

Recession or Resurgence?—Survey of current market—E. F. Hutton & Co., 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are comments on **Allyn & Bacon, American South African Investment, Fram Corp., Rochester Gas & Electric** and **Royal Dutch Petroleum.**

Savings & Loan Industry—Memorandum with particular reference to **Lytton Financial, First Charter Financial** and **Far West Financial** — Weil & Co., Inc., Woodward Building, Washington 5, D. C.

Selected Common Stocks — Brochure of data on 78 companies—Carl M. Loeb, Rhoades & Co., 42 Broadway.

Selected Stocks—Companies listed by industries which appear attractive — Hooker & Fay Inc., 221 Montgomery St., San Francisco 4, Calif.

Selected Stocks—Issues in various industry groups which appear interesting—The Illinois Co., Inc., 231 South La Salle Street, Chicago 4, Ill.

Small Business Investment Companies — Analysis with particular reference to **Business Funds, Inc., Gulf Southwest Capital Corp.** and **Midland Capital Corp.**—Eastman Dillon, Union Securities & Co., 1 Chase Manhattan Plaza, New York 5, N. Y.

Small Business Investment Companies — Review—Howard, Weil, Labouisse, Friedrichs & Co., 211 Carondelet St., New Orleans 12, La. Also available are studies of **Allied Chemical Corp., Calumet Industries, Inc., Miller Brothers Hat Company, Sterling Sugars,** and **Jahncke Service Inc.**

Space Stocks—Bulletin—Walston & Co., Inc., 74 Wall Street, New York 5, N. Y. Also available is a bulletin on **Automobile Shares,** and data on **Air Products & Chemical, Alside, Universal Oil Products** and **General Telephone.**

Steel Companies—Memorandum—Rittmaster, Voisin & Co., 260 Madison Ave., New York 16, N. Y.

World Trade—Discussion in August issue of "The Exchange"—The Exchange Magazine, 11 Wall Street, New York 5, N. Y.—20c per copy, $1.50 per year. Also available are data on **Metromedia Inc., Witco Chemical Co., Heublein Inc., Marlin Rockwell Corp.** and **Shoe Corp. of America.**

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ACF Industries — Study—Shields & Co., 44 Wall Street, New York 5, N. Y. Also available are studies of **National Propane** and **United Fruit** and a memorandum on **Marlin Rockwell.**

A M T Corp. — Analysis—R. C. O'Donnell & Co., Penobscot Bldg., Detroit 26, Mich.

Allied Chemical—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

American Broadcasting Paramount — Review—Colby & Co., Inc., 85 State Street, Boston 9, Mass. Also available are reviews of **Briggs & Stratton** and **Cubic Corp.**

American Cyanamid — Memorandum — Paine, Webber, Jackson & Curtis, 25 Broad St., New York 4, N. Y. Also available is a memorandum on **Lockheed.**

American Factors, Limited—Study —Robert H. Huff & Co., 210 West Seventh St., Los Angeles 14, Calif.

Ampex—Analysis — Schwabacher & Co., 100 Montgomery St., San Francisco 4, Calif. Also available is an analysis of **Longs Drug Stores.**

Associated Stationers Supply Co., Inc.—Analysis — Doyle, O'Connor & Co., Inc., 135 South La Salle St., Chicago 3, Ill. Also available is an analysis of **First Mortgage Investors.**

Avco Corp.—Review—Fahenstock & Co., 65 Broadway, New York 6, N. Y. Also available is a review of **Canada Dry Corp.**

Babcock Electronics — Memorandum — Walston & Co., Inc., 265 Montgomery St., San Francisco 4, Calif. Also available are memoranda on **Fireman's Fund** and **See's Candy Shops.**

Botany Industries Inc. — Analysis —Charles A. Taggart & Co., Inc., 1516 Locust St., Philadelphia 2, Pennsylvania.

Canadian Husky Oil Co.—Analysis—Isard, Robertson, Easson Co., Limited, 217 Bay St., Toronto 1, Ont., Canada.

Canadian Industries Ltd.—Analysis—Royal Securities Corp., Ltd., 244 St. James St., West, Montreal 1, Que., Canada. Also available is an analysis of **Falconbridge Nickel Mines Limited.**

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

Colonial Sand & Stone Company — Analysis — Emanuel, Deetjen & Co., 120 Broadway, New York 5, New York.

Columbia Broadcasting System — Bulletin—Auchincloss, Parker, & Redpath, 2 Broadway, New York 4, N. Y. Also available is a discussion of **Square D. Co.**

Colwell Company — Analysis — Mitchum, Jones & Templeton, Inc., 650 South Spring St., Los Angeles 14, Calif.

Continental Insurance—Bulletin—Purcell & Co., 50 Broadway, New York 4, N. Y.

Curtiss Wright — Memorandum—McMahon, Lichtenfeld & Co., 111 Broadway, New York 6, N. Y.

Curtiss Wright Corp.—Analysis—Robinson & Co., Inc., 15th and Chestnut Streets, Philadelphia 2, Pa.

Cutter Laboratories — Analysis—Cruttenden, Podesta & Miller, La Salle Jackson Building, Chicago 4, Ill. Also available is an analysis of **Lindberg Steel Treating Co.,** and comments on **American Rubber and Plastics Corp., Applied Research, Inc., Bowey's Inc., Calandra Photo Inc., Littlefuse Inc., Metalfab, Inc., Monmouth Electric Co.,** and **Thomas Industries.**

Daisy Manufacturing Co.—Analysis — Eppler, Guerin & Turner, Inc., Fidelity Union Tower, Dallas 1, Tex.

Dynascan Corporation — Analysis —H. M. Byllesby & Co., Inc., 135 South La Salle St., Chicago 3, Ill. Also available is an analysis of **Reynolds & Reynolds Co.**

Electrolux Corporation—Analysis —Dreyfus & Co., 2 Broadway, New York 4, N. Y.

FMC Corporation — Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y. Also available is an analysis of **Midland Ross Corp.**

Fafnir Bearing Company—Analysis—Chas. W. Scranton & Co., 209 Church St., New Haven 7, Conn. Also available are analyses of **Peter Paul, Inc.,** and **Plasticrete Corp.**

Fairchild Camera & Instrument—Memorandum—Gruntal & Co., 50 Broadway, New York 4, N. Y.

Falconbridge Nickel Mines Ltd.—Analysis—McLeod, Young, Weir & Co., Ltd., 50 King St., West, Toronto, Ont., Canada.

First National Bank of San Jose —Analysis—Birr & Co., Inc., 155 Sansome St., San Francisco 4, Calif.

Florida Gas Company — Data—May & Gannon, Inc., 140 Federal St., Boston 10, Mass. Also available are comments on **Pubco Petroleum Corp., Epsco, Inc., Atlas Credit Corp.,** and **Jarrell Ash Company.**

Giant Yellowknife Mines Ltd.—Analysis — Doherty Roadhouse & Co., 335 Bay St., Toronto, Ont., Canada.

Hagan Chemicals & Controls—Memorandum — Schmidt, Roberts & Parke, 123 South Broad St., Philadelphia 9, Pa.

International Telephone & Telegraph Corp.—Analysis—Evans & Co., Inc., 300 Park Ave., New York 22, N. Y. Also available is a study of **Pan American World Airways Inc.**

Jarrell Ash—Memorandum—Clayton Securities Corp., 147 Milk St., Boston 9, Mass.

Kansas Nebraska Natural Gas Co. —Memorandum—First Nebraska Securities Inc., 1001 "O" St., Lincoln 1, Neb.

Lear Siegler, Inc. — Analysis—Schweickart & Co., 29 Broadway, New York 6, N. Y.

Magnavox Company — Analysis—A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill. Also available is an analysis of **Pearl Brewing Company.**

McQuay Norris — Analysis—Edward D. Jones & Co., 300 North Fourth Street, St. Louis 2, Mo.

Merck & Co.—Analysis—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is an analysis of **Occidental Petroleum Corp.**

Meredith Publishing Company—Bulletin—Stone & Webster Securities Corp., 90 Broad St., New York 4, N. Y.

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

Mission Corp. — Data—Gerstley, Sunstein & Co., 211 South Broad St., Philadelphia 7, Pa. Also available are data on **Pittston Co., Newmont Mining Corp.** and **Reliance Insurance Co.**

Nutone Inc.—Report—Westheimer and Company, 326 Walnut Street, Cincinnati 2, Ohio.

Ojibway Press Inc. — Report—Birely & Co., 1700 K Street, N. W., Washington 6, D. C.

Pabst Brewing Co. — Analysis—Dempsey-Tegeler & Co., Inc., 1000 Locust St., St. Louis 1, Mo.

Raglan Nickel Mines—Memorandum—Draper Dobie & Co., Ltd., 25 Adelaide St., West, Toronto, Ont., Canada.

Shamrock Oil & Gas Corp.—Analysis—Schneider, Bernet & Hickman, Inc., 1505 Elm, Dallas 1, Tex.

South Carolina National Bank—Analytical brochure—Robert Garrett & Sons, Garrett Building, Baltimore 3, Md.

Southern California Edison—Review — F. S. Moseley & Co., 50 Congress St., Boston 2, Mass. Also available is a review of **Rochester Telephone.**

Space Age Materials Corp.—Analysis — Draper, Sears & Co., 50 Congress St., Boston, Mass.

Sta-Rite Products Inc.—Analysis —Loewi & Co., Inc., 225 East Mason St., Milwaukee 2, Wis. Also available are memoranda on **Manpower, Inc., E. F. MacDonald,** and **A. C. Nielson.**

Sunstrand Corp.—Analysis—Halle & Stieglitz, 52 Wall St., New York 5, N. Y.

Superpack Vending — Memorandum—Granbery, Marache & Co., 67 Wall St., New York 5, N. Y. Also available is a memorandum on **Leland Publishing.**

Swingline—Analysis—Divine and Fishman, Inc., 70 Wall St., New York 5, N. Y.

Tastee Freez Industries — Memorandum—Bear, Stearns & Co., 1 Wall St., New York 5, N. Y.

U. S. Realty Investments—Study —Hornblower & Weeks, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are data on the **Andrew Jergens Co., Anken Chemical and Film Corp., Arlan's Department Stores, Bobbie Brooks Inc., Chicago Musical Instrument Co., Josten's Inc.,** and **Milton Bradley Co.**

Varian Associates—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y. Also available is a review of **Sanders Associates, Inc.**

Wesco Financial Corporation—Analytical brochure — William Blair & Co., 125 South La Salle St., Chicago 3, Ill.

Woolworth—Memorandum—W. C. Langley & Co., 115 Broadway, New York 6, N. Y.

Nat'l Commercial Finance Conf.

The 18th Annual Convention of the Commercial Finance Industry, sponsored by the National Commercial Finance Conference, Inc., will be held Oct. 21-23 at the Waldorf-Astoria. Two important panels are scheduled. One relates to cooperation between banks, commercial finance companies and small business investment companies. Fuller M. Rothschild, United California Bank; Herbert Pechman, Sterling Factors Corporation; and James W. Howard, Growth Capital Inc. will appear on the panel, with Howard I. Green, Fidelity American Financial Corp., as moderator.

Among the speakers at the conference will be William F. Butler, The Chase Manhattan Bank, on "What's Ahead for Business in 1963"; Thomas Lefforge, Commercial Discount Corporation on "Commercial Financing—Its Impact on Business Growth"; and Dr. Mortimer J. Adler on "Art of Communication."

No Reason To Panic Over the Common Market

Eugene Van Cleef, *Professor Emeritus, Department of Geography, The Ohio State University, Columbus, Ohio*

Bugaboos currently expressed pro and con as to the likely effects of the common market upon us and as to the growth rate of countries abroad, and other misconceptions arising from misinterpretation of data, are put to rest by Dr. Van Cleef. The writer answers current fears and, in so doing, does not minimize the problems facing the individual firm as distinguished from the over-all economy. Dr. Van Cleef has successfully shown small firms that they too can expand sales by going into exports (cf. the author's article, "Why Small Firms Should Enter the Export Field," this "Chronicle," Feb. 15, 1962, p. 4). He has recently returned from the Middle East and parts of southern and central Europe and is impressed by and concerned about the businessman's inexperience in international matters. He admonishes American manufacturers to invest abroad what they can afford to lose in order to caution them that a lack of investment control may arise and not to imply that it will arise.

Dr. E. Van Cleef

Suppose a citizen from Mars made a landing here with one of those flying saucers and while waiting to clear customs read reports in our press concerning the reaction of our businessmen and government leaders to the rise of the European Economic Community, popularly known as the European Common Market, he could easily gain the impression there is panic among them. He would wonder whether some kind of cataclysmic action is going on in Western Europe which threatens the economic welfare of the United States. He would read about other nations' more rapid rate of growth in their Gross National Product than that in our country; he might be startled by reports of lower wages paid workers abroad than paid to labor here; he might wonder about tales of agreements among EEC nations to eliminate their tariffs among themselves while continuing tariffs, or even increasing them, on products entering the EEC from the United States.

If the man from Mars were of the worrying, but sympathetic type, he might lose so much sleep over the doom which awaits us that he would have difficulty in mustering enough strength to return home. It is no exaggeration to say that some of our press is creating just such an unstable condition among our citizenry. It is high time that this nonsense be ended.

Statistical data which are pouring forth these days as never before need to be meticulously analyzed. Although statistics are often indispensable they can be needlessly disturbing and confusing if incorrectly interpreted. In the current situation they are often misinterpreted leading to inaccurate conclusions. At the moment, forecasts of the probable effect of the EEC upon the economic well-being of the United States are purely speculative at best and any statement which is surrounded by statistical data presented to give it an air of authority demands detailed scrutiny. It is our belief that certain fundamentals should be recognized first in any forecast and that in some instances the logic of a given situation can be as reliable as the seeming profundity of elaborate mathematical data, for, as is always true, if mathematical solutions are based upon inaccurate hypotheses, no matter how beautiful the display of figures, conclusions must be wrong.

Common Misinterpretations

One of the most common statistical misinterpretations is associated with the Gross National Product. The rate associated with the countries of the EEC is variously cited as two to three times as fast as that for the United States. That which is wrong here is the fact that bases upon which the respective calculations are made are very different. The European base is so much lower than ours that only a slight increment even though much less than our own, measured in absolute terms, yields a much higher percentage gain. To illustrate the point in very simple terms, an increase of two points over a base of six is a gain of 33⅓%, whereas the same unit increase compared with a base of ten would represent a gain of only 20%. Furthermore, in citing advances in the Gross National Product of most foreign nations as evidence of economic progress we should not overlook the distribution of that wealth. Although economic conditions are not ideal in the United States, the fact remains that the wealth is more widely spread among our peoples than those of other countries.

In the Final Report of the Committee on Commerce, U. S. Senate, June 26, 1961 (Report No. 446), pp. 20-21, a table (Table I), shows by means of index figures based upon the volume of exports for 1953, that in 1959 the index for the United States was lower than that for most other industrialized nations. This is followed by an interpretation stating "Our industrialized competitors continue to display a drive and vitality surpassing our own and, on balance, are gaining an ever stronger trading posture relative to the United States." This viewpoint is misleading to say the least. If we compare the respective increases over 1953 in absolute terms we shall see the increase in volume of United States exports to be notably greater than that of any of the other nations.

TABLE I

Increase in Export Trade in Industrialized Countries*

(1953 = 100)

EXPORTS IN 1959 cf. 1953 VOLUME INDEX

Japan	285	Norway	153
Italy	231	Portugal	152
West Germany	222	Switzerland	151
Austria	190	Sweden	150
Netherlands	167	*United States*	125
France	165	United Kingdom	121
Belgium-Luxembourg	154	Canada	119
Denmark	153		

*From The United States and World Trade, Study of U. S. Foreign Commerce, Committee on Commerce, U. S. Senate, June 26, 1961.

Before surveying more closely the international position of American business with reference to the EEC it is well to remind ourselves of the two basic points of view which demand recognition. There is that one held by individual firms necessarily interested in their own preservation and progress. Then there is the view of the national political leaders concerned with the well-being of the nation as a unit. We do not imply that the leaders in government have no sympathy for individual business firms. Most businessmen recognize that "what is good for the nation is good for business" and many of those in responsible political positions are aware that "what is good for business is good for the nation." Of course there may be exceptions in both instances.

If we owned a manufacturing establishment engaged in international trade and were protected by tariffs, quotas, or any other devices advantageous to us, we would be less than human if we did not rebel against any threats to change this situation. On the other hand we would have to acknowledge that if a change in the laws were in the interest of the nation as a whole our opposition would represent a selfish attitude.

Exports Depend on More Than Tariff Cutting

The fear in many business circles is centered around the inclination of the government to lower tariffs. This fear, of course, does not arise as much among exporters as it does among those engaged in domestic trade only, who believe they cannot compete with imported commodities. The urge to lower tariffs also derives from a belief in some circles that if we can cause tariffs to be lowered by foreign nations in exchange for lower tariffs here, selling to the latter will be made easier. Selling abroad, however, is not always a matter of tariff levels, anymore than are prices the sole determinants of sales potentials. Buyers are influenced by such elements as quality, credit terms, notes of exchange, political relations, reliability of services, agreeableness of suppliers and still other factors. This is not to say that neither tariff rates nor prices may not be, on occasion, of critical impor-

Continued on page 22

Cruttenden, Podesta & Miller Names W. Wade in Grand Rapids

Walter J. Wade (right), with Donald R. Bonniwell (left), Cruttenden, Podesta & Miller's municipals' partner, and Whitney M. Sewart (center).

GRAND RAPIDS, Mich. — Walter J. Wade has been appointed manager of the Municipal Department in the Grand Rapids office of Cruttenden, Podesta & Miller, McKay Tower, according to an announcement from Whitney M. Sewart, resident partner of the coast-to-coast investment firm.

From 1946 until January of this year, Mr. Wade was President and Treasurer of Walter J. Wade, Inc., of Grand Rapids, specialists in municipal bonds. During World War II — as one of the first six men selected by the Treasury Department, nationwide, to organize and direct the War Bond program at the state level—he was executive manager of the Michigan bond drive. For his full-time contribution, he was awarded the Treasury's Citation for Distinguished Service.

Form S. Raskin Co.

S. Raskin & Co., Inc., has been formed with offices at 170 Broadway, New York City, to engage in a securities business. Officers are: Stephen Raskin, president and treasurer, and Roberta Mordkoff, secretary. Mr. Raskin was formerly with Karen Securities Corp.

Forms Cornelius Inv.

MASSAPEQUA, N. Y.—John C. Brady is engaging in a securities business under the firm name of Cornelius Investment Company, from offices at 256 North Michigan Avenue.

Alan F. Pike With Wood, Struthers

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif. — Alan F. Pike has become associated with Wood, Struthers & Co., Russ Building. Mr. Pike, who has been in the investment business for many years, was formerly in the institutional sales department of Blyth & Co., Inc., in San Francisco, and prior thereto was manager of the Municipal Department in San Francisco for Kidder, Peabody & Co.

Mutual Fund Study Delivered to the Congress

SEC Chairman Cary, pointing out the University of Pennsylvania's completed undertaking as the most comprehensive analysis of the mutual fund industry in over 20 years, asserts the industry's tremendous intervening growth and general impact render its careful consideration particularly important. Cites as key question the relationship between growth and performance of funds and sales incentives.

The Securities and Exchange Commission delivered to the Committee on Interstate and Foreign Commerce, House of Representatives on Aug. 24, the report of the Wharton School of Finance and Commerce of the University of Pennsylvania entitled "A Study of Mutal Funds," with the Commission's following letter of transmittal:

In accordance with your request, I am transmitting a report prepared for the Commission and entitled "A Study of Mutual Funds" by the Securities Research Unit of the Wharton School of Finance and Commerce of the University of Pennsylvania.

The Study was undertaken pursuant to Section 14(b) of the Investment Company Act of 1940 which authorizes the Commission from time to time "to make a study and investigation of the effects of size on the investment policy of investment companies and on security markets, on concentration of control of wealth and industry, and on companies in which investment companies are interested. . . ." Pursuant to such authority, the Commission engaged the Wharton School to make a fact-finding survey of certain aspects and practices of open-end investment companies or mutual funds. The report transmitted herewith is the result of the Wharton School's undertaking.

The publication of the Study should not be construed in any way as a reflection upon or criticism by the Commission of the investment merits of mutual fund shares, of the investment company as an important vehicle for investment, or of any particular company. Neither should it be assumed that certain critical comments in the Study with respect to particular practices or conditions in the industry necessarily imply that they are contrary to the requirements of the Investment Company Act of 1940 or that they are within the regulatory scope of that Act.

First Comprehensive Study Since 1940

The Wharton School Study is the most comprehensive analysis of the mutual fund industry since the Commission's study made prior to the adoption of the Investment Company Act of 1940 more than 20 years ago. As such, it deserves careful consideration and analysis by all who are interested in that industry. This is the more true because the tremendous growth in number and size of the mutual funds during that period has resulted in an expanded and significant role for the mutual fund industry in the securities markets, as a competitor for the public's savings, and in the economy as a whole. It is obvious both from the Study and from our own experience that the mutual fund industry is important and is becoming more so. Mutual funds as a medium of investment have enjoyed widespread acceptance, particularly among smaller investors. The offering of mutual fund shares for some years has been a major factor in the new issue market. The Wharton Study for the first time expresses in a comprehensive manner the growing potential of the funds in relation to market activity and to the affairs of portfolio companies.

The mere statement of the volume of capital, most of it from smaller investors, being managed by the funds and their advisers emphasizes the importance of a careful scrutiny of all aspects of the industry from the point of view of investor protection. It seems appropriate therefore to refer to certain matters both within and without the context of the Study which are pertinent to its consideration and evaluation by the Commission, by members of the industry and indeed by all persons having an interest in the industry.

Broad Policy Questions Raised

Many of the practices of which the Wharton School appears critical may be attributable to an industry structure which is clearly contemplated by the Investment Company Act of 1940. Implicitly, however, many of the comments in the Study, particularly as reflected in Chapters I and VIII, raise questions of broad policy whether some of the practices and patterns which originated in an earlier time and under different conditions and which have become conventional within the broad tolerances of the Act should be reconsidered.

For example, the Study in commenting upon the typical management structure of the industry under which a significant part of the funds' activities are performed by affiliated organizations such as advisers, underwriters and brokers, who control or are represented on the boards of directors of the funds, draws attention to the potential for divided loyalties arising from these arrangements.

Questions are raised by the Study as to the relationship or lack of relationship between the growth, size and performance of funds and sales commissions and other sales incentives. Attention is also directed to the relationship or lack of it between growth, size and performance of funds, on the one hand, on the other hand, advisory fees and costs of operation of the funds and of the advisers, including fees charged by advisers to other clients. The Study questions whether the apparent historical emphasis upon constantly increasing fund assets by intensive sales efforts has always been in the interest of fund investors. The employment of special inducements to sales efforts, particularly in the case of the so-called penalty-type contractual plans, reflects an emphasis on sales not necessarily consistent with the best interests of the investor. The Study comments upon the role of and in general questions the effectiveness of the "unaffiliated" directors of the typical fund.

The Wharton School has explained that there are many investment company matters which it has not studied and which it was not intended to study. Some of these, such as sales techniques, the adequacy of training and supervision of salesmen and the possible use of inside information by those closely affiliated with investment companies, are already the subject of inquiry.

SEC Rules and Statutes Questioned

The Wharton School Study is a report to the Commission and not by the Commission. It reflects the compilation by the Wharton School of economic data supplied by members of the industry at the Commission's request. Although it would be premature at this time for the Commission to attempt an evaluation of the conclusions and comments in the Study, it is apparent that the Commission's rules under the 1940 Act and indeed some of the provisions of the statute itself may require reassessment. The Commission accordingly has directed its staff to undertake a detailed analysis of the Study with the view to making such recommendations as may seem appropriate. This will of necessity require consideration in some respects of material being developed in related Commission studies now in progress. The Commission hopes that members of the industry will engage, as its staff is doing, in a careful evaluation of the Study to the end of attaining the highest possible standards and promoting continued public confidence in the industry.

To the extent that the data compiled by the Wharton School may not be entirely adequate for a proper exploration of some of the questions raised by the Study, it is anticipated that further inquiry, including possible hearings on particular issues and consideration of the policy questions mentioned above, will be conducted as part of a comprehensive program of study by the Commission with a view to determining and formulating such legislative, rule and enforcement proposals, if any, as may be desirable and thereafter reporting to the Congress.

The Commission currently is engaged, pursuant to the direction contained in the Mack Resolution (H. J. Res. 438, Public Law 196, 87th Cong.), in a study of the rules governing the activities of the various securities markets to see whether they are adequate to protect investors, to determine just how they are being administered by the exchanges and the over-the-counter associations, and what changes, modifications, or expansions of the rules or statutes might be desirable in the public interest. The Commission is to make such study and report to the Congress from time to time, with a final report by April 3, 1963 (H.R. 11670, Public Law 561, 87th Cong.).

Obviously a study of the striking growth of the mutual fund industry during the past few decades, and of its impact upon the securities markets, both in the substantial share it represents of securities distributed over-the-counter and in the tremendous portfolio it possesses of both listed and unlisted securities, is of great significance in an understanding of today's markets.

In view of the timeliness of the Wharton School Study, it seems appropriate that it be available for the information of the Members of the Congress and of the general public.

Murray Simons Co. Opens Bond Dept.

Murray Simons & Co., 25 Broad Street, New York City, members of the New York Stock Exchange, have announced the formation of their new Municipal Bond Department, under the direction of William G. Carrington III, manager, and William D. Cherry, assistant.

Messrs. Carrington and Cherry were formerly with the Municipal Bond Department in the New York office of Boenning & Co.

Birr Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Loris M. McKenney, Jr. has been added to the staff of Birr & Co., Inc., 155 Sansome Street, members of the New York and Pacific Coast Stock Exchanges. Mr. McKenney was previously with Walston & Co., Inc.

A Preliminary Evaluation of The Wharton School Study

By Mr. Charles H. Schimpff,* *President of the Investment Company Institute and President, American Mutual Funds, Inc., Los Angeles, Calif.*

Mr. Schimpff criticizes SEC-ordered Wharton School 595 page study of the mutual fund industry released last Friday. The industry's spokesman contends that the "academic theoreticians" went beyond the purview of their statutory authority; questions the applicability of market stock averages to funds' performance and other statistical findings critical of funds; defends reciprocity and advisory fee rates; says that unsupported assertions made could hurt confidence in funds if not business generally; and denys funds purchases or sales of stocks influenced stock market trend. [For comment on Mr. Schimpff's statement, reproduced below, see A. Wilfred May's column, "Observations," on Page 4 of this issue. SEC Chairman Cary's transmittal letter of the Wharton School study to House Commerce Committee Chairman Harris adjoins Mr. Schimpff's statement on this page.]

I
General Comments

In his letter of transmittal dated Aug. 27, 1962, to Chairman Oren Harris of the House Committee on Interstate and Foreign Commerce, Chairman Cary of the Securities and Exchange Commission called upon the members of the mutual fund industry to engage in a careful evaluation of the Wharton School Study Mutual Funds, "to the end of attaining the highest possible standards and promoting continued public confidence in the industry."

Charles H. Schimpff

A final copy of the Wharton School Study has only this morning (Tuesday, Aug. 28) been made available to the industry. However, a limited group of industry executives, representing the Investment Company Institute, over the past eight months has been given the opportunity to read and evaluate the preliminary draft of the Study. Since there is now every indication that the preliminary draft differs in no material respect from the final version already released to the press, the Investment Company Institute is now in a position to make detailed — although by no means final—comment at this time.

We desire to make these comments now, before the numerous misleading, incorrect and highly speculative comments contained in the Wharton School Study serve to impair investor confidence in mutual funds. It is clearly evident, in our considered judgment, that the Study has serious deficiencies. In addition to a radical departure from its intended purpose, the Study represents a sharp challenge to the basic structure of our industry (which is clearly authorized and codified by the Investment Company Act, passed by the Congress in 1940). The Study contains many statements which appear to be unsupported by any facts revealed by it, and fails to deal with many important and relevant areas of pertinent data so necessary to give perspective as to the real accomplishments of our industry and its role in the financial planning of increasing tens of thousands of our nation's citizens.

In short, we are commenting now in order to advance the clear and obvious objective of our industry, and one of the stated objectives of Securities and Exchange Commission Chairman Cary: to promote continued public confidence in the mutual fund industry.

We would therefore first call attention to the authority for this special study—Section 14(b) of the Investment Company Act of 1940. It reads as follows:

"The Commission is authorized, at such times as it deems that any substantial further increase in size of investment companies creates any problem involving the protection of investors or the public interest, to make a study and investigation of the effects of size

(1) on the investment policy of investment companies and on the security markets

(2) on concentration of control of wealth and industry, and

(3) on companies in which investment companies are interested, and from time to time to report the results of its studies and investigations and its recommendations to the Congress."

In his transmittal letter to the Commission, Dr. Irwin Friend, Director of the Securities Research Unit of the Wharton School of the University of Pennsylvania, and one of the four professors who conducted the Study, summarizes the findings of the Study in these areas by saying that "the report concludes *that there is little evidence that size per se of individual funds or companies is a problem at the present time. . . .*" Our industry agrees with this conclusion and views it as the principal finding of the Study, in the light of its original statutory purpose.

Many of the remaining conclusions of the Study, however, appear to lie outside the area of its statutory authority. We therefore raise a serious question as to the propriety of ignoring the limits of the Study that had been so clearly fixed by law, and of making a supplemental inquiry (instituted in 1960) exploring the structure of our industry, a structure that "is clearly contemplated by the Investment Company Act of 1940," (in Chairman Cary's words).

The principal critical findings of the Wharton School arises in this extra-legal area, and we are moved to wonder if Congress will accept with equanimity these criticisms of its legislative accomplishments, coming as they do from a group of academic theoreticians who appear to have disregarded the limits of their statutory authority.

Turning now to some general observations of the Study as a whole, we would note first that many of the principal critical points that the Wharton School has developed strike, not only at the structure and successful operation of the mutual fund industry, but at American business in general. Indeed, the Wharton School transmittal letter states that many of the "problems" cited by the Study are not unique to mutual funds but characterize other financial and non-financial institutions as well. This sweeping generalization appears to be

Continued on page 38

Research and Development—Key to Profitable Growth

Continued from page 3

the most important single factor in advancing productivity.

In the last two decades, there has been a remarkable acceleration in research effort, both in the United States and throughout the world. There has also been a dramatic change in the research community and in the reasons for which research is done.

One of the legacies of World War II was a greatly enlarged role for government in research, replacing the traditional dominance of the universities. At the same time, private industry has found that an enormous amount of research can be carried on for profit, and this has levered both laboratory construction and private outlays for research operations.

Throughout the first 150 years of its history, the United States spent a total of about $18 billion for research. That total of a century and a half was matched in just five years—from 1950 to 1955. And it was almost equaled in one year, fiscal 1961, when an estimated $14 billion was spent for research and development.

In 1947, research and development was still a small dimension of the American economy, accounting for $2 billion of spending, or a little less than 1% of national product. Today, R & D expenditures are more than seven times that amount and make up close to 3% of GNP. If research were considered an industry, it would now rank among the top dozen in the U. S. Already its employment — 350,000 — is close to half that of the automobile industry.

Nearly three-fourths of all research and development in the United States is now being done in corporation laboratories. And of this more than 40% is being paid for with corporate funds.

Corporate Outlays

In the last seven years, industry doubled its own financing of research and development. It is estimated that this year private companies will provide the money for more than $5 billion of the $12 billion in research they will perform.

In the past, I have said repeatedly that if nations are to maintain rapid economic growth rate, they must commit a significant portion of their resources to research and development. But this, admittedly, raises a question. Why, with its sharp rise in R & D outlays, with the exciting new products such as fibre glass that have come along, has the United States not achieved faster growth in the last decade?

One answer, I think, is that, even under optimum conditions, innovations take time spread. This is the so-called diffusion of technological change, and it, apparently, is still a pretty slow process. A study last year for the National Science Foundation of 12 important innovations in four major industries found that only a few of the innovations had spread widely in 10 years, while others took 20 years or more to be adopted by all major firms in the industry.

A second, and perhaps more important, answer is that thus far our research and development has been highly concentrated. While it is true that about three-fourths of our R & D activity is performed by private business, the Federal Government finances more than half of this work and its projects are, to great extent, confined to the aircraft and parts indusry and the electrical equipment and communications industry. Even the privately financed part of our research and development is weighted toward these industries, which possess a high degree of technical sophistication. This, of course, is in marked contrast to the pattern in Europe, where private research and development is the dominant force and where the activity is much more widely diffused among industries.

Efforts Inadequate

What I am getting at here is that, even with our greatly accelerated research and development spending, the United States is still devoting only a relatively small part of its total effort to creation of products for consumer purchase, which is the biggest part of the Gross National Product. In many companies and industries in the consumer field, there is little or no research and development being done on new products that could generate added demand and raise over-all levels of consumer spending.

This, I think, is a significant reason why we have not had more growth out of our research and development spending, both in terms of consumer outlays and business expenditures for new plant and equipment. As several economists have suggested, there has been a shortage of profitable ideas to invest in.

As I see it, we have thus far barely touched the product potential of this era of new energy sources and expending frontiers in physical chemistry, solid-state physics, polymer chemistry, and the design of electronic equipment.

On the threshold of commercial realization are the direct generation of electricity from heat, electronic heating and cooling for industry and the home, and electroluminescence.

Microwave research promises exciting new developments in communications, missile guidance and telemetry, and electronic cooking. Modern techniques in infrared research put another segment of the electromagnetic spectrum at man's command through development of analytical instruments and industrial process control.

Still to be exploited are the potentials of molecular electronics, which harness the energy in the microcosmic world of the atom; plasma physics; the ultracold realm or cryogenics; the blistering one of hot gases. Through research in meteorology and geophysics, we have the prospect of weather modification, which can have limitless economic implications. In the physical chemistry of the cell, there is promise of extended life and a control over agriculture on a totally new scale.

How are we to realize these possibilities, translate them into products that will accelerate economic growth and advance human well-being?

Certainly, the answer isn't just to pour more money into research and development, although added money is part of the answer. What you have to consider is the direction as well as the pace of your effort. If the need is for greater development of products to exploit our existing knowledge—and this seems evident — how can you stimulate private activity so as to quicken their realization?

You also have to consider the division of effort between applied and basic research, which is the springboard for major technological change, and the problems of supply of scientific and engineering personnel.

Administration's Objectives

This Administration is now addressing itself, in varying ways, to each of these considerations. Parts of its education program are directly responsive to the long-term problem of an increasing supply of scientists and engineers. The President has also directed the National Science Foundation to develop further programs in this critical manpower area.

Through the Panel on Civilian Technology, a group of distinguished scientists, engineers, businessmen, and economists have been brought together to examine the national dimensions of our research effort — what we need and how we are to get it. This Panel, operating under the joint auspices of the President's Special Assistant for Science and Technology, the Department of Commerce, and the Council of Economic Advisers, is directly concerned with ways and means to stimulate civilian research and make better use of our existing technology.

An Office of Science and Technology has also been created, as part of the President's Office, with the mission of providing high-rank coordination of the Government's own research and development programs.

In the Department of Commerce, which includes the National Bureau of Standards, one of the great measurement laboratories of the world, there is now an Assistant Secretary for Science and Technology, charged specifically with coordinating our scientific activities and furthering the growth and effectiveness of civilian research.

One of the important communications links between government-supported science activities and the business community has been the Office of Technical Services of the Department of Commerce, which collects and disseminates reports on Federal Government research and translates foreign technical literature.

We are now actively studying ways to strengthen the government-business link — to make firms, particularly those with little or no research and development, more aware of the technological possibilities open to them and to help them take advantage of them. At the same time, we are undertaking programs with specific industries—textiles is one—to explore ways to increase development efforts which can lead to more new consumer products.

In large matters, as in small, I think there is much that government can do, and is doing, to scale down the barriers that stand between us and a higher rate of scientific development. But without greater boldness by industry, a readiness to stop thinking of just familiar products and ways of doing things, we will never achieve enough new products to influence the faster growth that is our goal.

This last point, I think, is very important. Charles Kettering talked about it years ago, and I want to repeat what he said here in closing because, above all else, I feel we must have more forward thinking today in our private research and development.

"You will never stub your toe standing still," Kettering said. "The faster you go the more chance there is of stubbing your toe, but the more chance you have of getting somewhere."

*An address by Secretary Hodges before the 6th International Congress on Glass, Washington, D. C.

Andresen to Admit Two Partners

Andresen & Co., 30 Broad Street, New York City, members of the New York Stock Exchange, on September 1st will admit Lydon L. Pearson to partnership, and on September 6th will admit John H. Zeeman.

Hugo Curtaz Opens

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — Hugo Curtaz is engaging in a securities business from offices at 1201 Third Street. He was formerly with Richards Investment Co.

Eastman Dillon Adds

(Special to THE FINANCIAL CHRONICLE)

SAN DIEGO, Calif. — Francis L. Sullivan has been added to the staff of Eastman Dillon, Union Securities & Co., 415 Laurel Street. He was formerly with Kidder, Peabody & Co.

Economic Prospects and The Stock Market Trend

By William L. Warner,* *Instructor In Investments, Modesto Junior College, Modesto, Calif.*

Confident as to the economy's expansionary prospects, abetted by genuine tax reform and other factors, Mr. Warner assesses the likely market response to a favorable turn of the economy's behavior. In doing so, the writer selects 17 industries which registered gains during the July 11-August 8 period and examines the reasons for their strong performance. Comparison is made with those industries which registered the best gains in 1961 and discussion centers on what happened to their forward momentum. Article concludes with advice as to what should be a prudent common stock investment policy at this time.

In our appraisal of the market trend today it may be useful to consider first, the economic situation, and, second, the response of the market to that situation. Many are all aware the stock market behaved very badly in the first half of this year. Investors looked at foreign competitors with their low, although rapidly rising, wage rates and saw in their exports to us a force which would preclude higher prices for American goods. At the same time they observed labor's continuing effort to obtain higher wages—some of which took the form of opposition to Administration policies designed to limit increases to those justified by productivity gains. If wages were to rise and prices were to remain where they were (or even decline) the returns to capital obviously would be reduced.

William L. Warner

The Spring of 1962 is not the first time a "profit squeeze" has been apparent in our economy. However, it was the first time the President of the United States and the Chairman of U. S. Steel conspired to bring the profit squeeze to everyone's attention. Their success in making this issue well-understood is confirmed by the 18% decline in industrial stock prices which occurred in the six weeks after their acrimonious debate.

Rash of Policy Proposals

As the market decline continued to dominate newspaper headlines the public's attention turned from the squeeze on profits to the possibility of a recession developing out of the decline. This brought forth a rash of encouraging statements by various officials, public and corporate, and two real policy changes, both helpful: One, a reduction in margin requirements, alleviated the problem of cumulative liquidations via margin calls. The second, a commitment to lower taxes, "if necessary," by the President, although strictly a promissory note requiring Congressional endorsement to be negotiable, had a salutary effect on public psychology.

Whether 1963 tax reduction designed to ease the profit squeeze can be gotten through the Congress as insurance against a recession remains to be seen. How important this kind of tax reform is to the market's future course is readily apparent however. Most observers agree the U. S. has emerged from successive postwar recessions with declining vigor on each occasion. Our expansions have fallen short of fulfillment by a wider mark each time. Formerly this was accepted as the inevitable consequence of declining liquidity among consumers and satiation of the demand for goods following wartime shortages. Now the awareness is growing that our graduated income taxes operating through two decades of inflation have reached the point where they exert a dampening influence on these expansions.

Thanks to lively foreign commentary on our domestic economic policies we now have ample theoretical justification for tax cuts so long as they are accompanied by continuing high interest rates and no over-all increase in the national budget. Perhaps the Senate Finance Committee follows pronouncements of the International Monetary Fund or Bank for International Settlements—it appears the House Ways & Means Committee does. It is my belief the President, with the aid off Chairman Mills, can win from the Congress a tax reform bill.

If the tax bill is truly a tax reform it will look toward the thousands of young people soon to enter our labor force and it will be aimed at expanding the private sector of our economy in order that these young people can find employment opportunity there. Such a policy would be very favorable to investors, of course, for it would imply that all enterprise was to be encouraged—that our corporations would be operating under rules designed to help them flourish.

No Contraction Need Occur

Looking back on the first half year, it seems to me we had reached a plateau in our economic expansion. One path ahead was down into recession, and the stock market decline, had it gone further or inspired more emotional liquidation, might have turned us into that path. The second path leads across a wider expanse of this same plateau. If we can hold to our old concepts of investment value, be assured a reasonably optimistic climate in which to make choices concerning durable goods purchases, and look to our future with hope, then this will be our path for the next year or two.

There is no reason to feel a contraction must necessarily occur at this time, despite the queasy performance of the "leading indicators." Our inventories are at record low levels relative to sales. The second-best auto year on record has been achieved without unusually large outlays. Rather, these expenditures are somewhat lower than usual, running about 4.5% of consumer disposable income versus a normal 6%. Instalment loans and bank credit generally are not at all in the position we associate with an incipient decline. Whether it is the computers we must thank or our increasing sophistication about the role of inventories in the business cycle I do not know, but it is a fact that our errors of judgment in this area are becoming smaller from year to year. And as those errors diminish our economic stability is enhanced.

Sees Expansion Next Year

In summary I believe we will continue across our plateau and possibly move into a further sharper expansion before experiencing any significant contraction. This is based upon the expectation of a political campaign which promises tax reform along the lines I have indicated. If the attention of the country is concentrated on how we might solve the problems of the 60's rather than how we failed to solve those of the past I believe we will succeed in their solution. Conditions are certainly favorable to the attempt. Corporate earnings reports coming out daily show good year-to-year comparisons, retail sales have recovered their stride after the shock of the market decline passed, and recent depreciation policy changes will certainly nourish the durable goods industries. With these plus factors, and the anticipation of genuine tax reform we should be able to confidently move forward into the period when legislative changes can begin to affect business expansion. Business is not so bad that it can't get a great deal better the moment progress is seen. Changing the rules so our economic machine can really work at its full capacity is, I believe, the key to successful trade with the common market abroad and to full employment at home, and I, for one, look toward this next year with enthusiasm, full of hope for the changes it will bring.

The Market's Response

Now, turning to the second half of our subject, the market's response to the economic situation, what do we find? It is helpful to consider the period from July 11 to Aug. 8 as a base period. Over this period the entire market declined one-half of 1%. There were, however, 17 groups which showed significant gains, gains ranging from 1% to 10% or more. As a matter of fact the perfect portfolio on July 11 would have looked like this—

Foods & Tobacco
- Canned Foods
- Dairy Products
- Vegetable Oil Products
- Cigars

Services
- Casualty Insurance
- Fire Insurance
- Vending

Natural Resources
- Aluminum
- Coal
- Oil (Crude Producers)
- Silver

Transportation
- Airlines
- Shipping

Durable Goods
- Autos
- Office Equipment

Others
- Aerospace
- Rayon

There were no other groups in the market whose gains equalled the gains of these groups between July 11 and Aug. 8. Why were these groups moving up? How long will they continue to do so?

Perhaps if we examine the reasons for the relatively strong performance by stocks of these 17 industry groups we can form some idea as to how far into the future the groups will continue to outperform the rest of the market. Time does not permit examination of all groups so let us consider about half of them:

Vegetable Oil Producers — As consumers expand their buying of poly — unsaturated vegetable oils in response to publicity concerning cholesterol and calories the vegetable oil producers offering safflower and similar oils are widening their margins. Dietary changes have frequently spelled profits changes in the U. S.—this group seems to be a prime beneficiary today.

Fire and Casualty Insurance Companies—The favorable phase of the underwriting cycle prevails and profits are expected to increase 10-20% over last year. Fund buying exceeded $8 million in the group during the second quarter and is continuing.

Aluminums—Thanks to higher volume this year earnings will be up between 10% and 20%. (2nd quarter earnings were running 40% better than same quarter last year.) Investment fund buying has totaled more than $5 million in this group recently.

Crude Oil Producers—Late in July the Middle Eastern oil producing countries announced they were going to discuss a new sharing of oil profits with international companies. This renewed interest in "buy-out" situations among domestic crude producers.

Silver Mines—Recent advances in silver prices to a 42 year high ($1.09 per oz.) assure better profits for the silver miners. Cutbacks in mining of other non-ferrous metals, found with silver, should restrict supplies in the future thus supporting the price near present profitable levels.

Airlines—More passengers and fewer new planes to buy are improving the net profit position of the nation's airlines. Earnings this year should average 10-20% above last year. If a rail strike occurs still further improvement would be registered.

Shipping—Government support for this industry promises to become more generous at the same time revenues are starting to improve. As trade and foreign aid expenditures in the U. S. increase additional improvement seems likely. Earnings may be up 10-20% this year.

Aerospace—This group has enjoyed a large increase in revenues as the administration moved to equal Russian efforts. Further expansion on the order of $3 billion this year, is indicated, and earnings should be up over 1961 by 20% or more.

Ten Best Groups in 1961

From the foregoing review it is evident that these eight industries have entered a period in which favorable influences are predominant. These influences seem likely to continue for a year or two in the case of airlines, shipping, aerospace, insurance and vegetable oil producers. For the aluminums, crude oil producers and silver miners the improvement may extend even further. To understand the significance of these facts let us return to 1961. In that year the best gains were registered by these 10 groups—

Life Insurance	+76.6%
Apparel	+65.4%
Cigarettes	+59.6%
Mail Order	+53.4%
Cigars	+53.4%
Auto	+52.2%
Casualty Insurance	+50.5%
Office Equipment	+49.5%
New York City Banks	+48.4%
Small Loans	+46.6%

Some of these industries have exhausted their upward impulse and are doing poorly in the market because of changed conditions (cigarettes for example.) Others have not exhausted their upward impulse, but are slower to advance. The auto group, for example, while reasonably priced on current earnings, is probably approaching the turning point in its cycle. Here the upward impulse may be on the wane. However, our review suggests the cigars will still gain as will casualty insurance and office equipment. For these still seem strong, although not so strong perhaps as the new groups I have listed. These new groups together with a few of the old, will give the market its leaders of 1962.

A Prudent Investment Policy at This Time

A prudent common stock investment policy at this time, will consist of (1) Continued holding of cigars, casualty insurors and office equipment. (2) A reduction of other groups not included in our "perfect portfolio." (3) As these other groups are sold out a portion of the proceeds should be put into some of these industries of the "perfect portfolio" in which the investor does not now have representation. (4) Cash reserves in substantial amounts should be held until passage of a satisfactory tax reform bill appears imminent. At that time a more fully-invested position will seem desirable on the basis of the facts as they appear today, Aug. 20, 1962.

*An address by Mr. Warner before the Modesto Rotary Club and Modesto Metropolitan Kiwanis Clubs, Modesto, Calif., Aug. 20, 1962.

Is Pres. Kennedy's Pledge Not to Devalue Binding?

By Paul Einzig

In explaining the facts of life as to the difference between a sincere declaration and a binding pledge not to devalue gold, Dr. Einzig recalls what we said and did in 1933, and his country's as well as his personal experience with Sir Stafford Cripps in 1948-49. Though opposed to devaluation, Dr. Einzig concedes there may be occasions when it might be necessary but hopes that failure to take effective action in time to forestall such a step will not be permitted to occur to provide an excuse for devaluation. The writer comments in a letter written by Mr. Frederick G. Shull to this "Chronicle."

LONDON, England—In my article appearing in the July 12 issue of *The Commercial and Financial Chronicle* I referred to the revival of fears of an increase in the official American price of gold. Commenting on my article in your Aug. 2 issue Mr. Frederick G. Shull quotes President Kennedy's letter to Mr. David Rockefeller in which he emphatically declared that the United States would not increase the price of gold. To Mr. Shull this informal declaration seems to have meant that the possibility of a dollar devaluation was now ruled out.

I do not feel justified in endorsing Mr. Shull's optimistic view. Indeed, even the incomparably more formal statement made by the President and broadcast throughout the Universe through the new medium of Telstar does not to my mind rule out the possibility of a change of policy in given circumstances.

Admittedly, to address the entire Universe has added considerably to the solemnity of the statement. I presume that, just like true believers in the Koran, when wanting to lend the utmost emphasis to some assertion, are in the habit of swearing "by Mohammed's beard," and just like orthodox Communists are, or ought to be, in the habit of swearing "by Karl Marx's beard," modern statesmen will in future seek to enhance the solemnity of their more important statements by addressing them to the Universe. It is just possible that the reason why the President's declaration on the dollar created such a profound impression was that a great many people all over the world looked upon the declaration made in such a form as a sacred irrevocable pledge.

Past Denials Versus Actual Events

In our disillusioned world devaluation denials are doomed to evoke doubts and disbelief on the basis of past experience. As far as I am concerned I am naturally convinced that President Kennedy had meant exactly what he said and that he had made his statement in utmost sincerity, without any mental reservations whatsoever. I am firmly convinced that it is not his present intention to devalue the dollar and that he is at present determined to resist any pressure in favor of a devaluation.

Having said that I have to add that on more than one occasion in recent history statesmen of very high standing and character who had made similar declarations subsequently felt impelled to change their mind. An outstanding instance of such a change of policy was provided by the British devaluation of 1949.

On Dec. 20, 1948, Sir Stafford Cripps, Chancellor of the Exchequer of the British Labor Government, insulted me at a public press conference for having ventured to ask a harmless question about his intention concerning devaluation. "The introduction of the subject of devaluation is merely a piece of gratuitous offensiveness," he declared. Both before and after that incident he repeatedly rejected the idea of a devaluation. Yet in September, 1949, sterling was devalued. I have always resisted the temptation to criticise him for having done what he had repeatedly and emphatically declared he would never do, because I was utterly convinced, and I am still convinced, that he was absolutely sincere when he disclaimed intention to devalue. But the change in the situation forced his hand and he felt impelled to act contrary to his repeated solemn declarations.

This does not of course mean that all devaluation denials are bound to share the same fate. What it does mean is that even the most solemn declarations of that kind cannot be looked upon as having the character of an absolutely binding pledge that would preclude devaluation for all time. It is the government's duty to adapt their policies to changes in the situation, even if in doing so they have to go through the humiliating experience of eating their previous words.

It is really amazing how few people realize the fundamental difference between a *binding pledge* and a *unilateral expression of intention.* Even the most formal and solemn declaration, such as that of President Kennedy on the dollar, merely amounted to saying that it was not his present intention to devalue. Since the President is known to be a man of high character, I am convinced he would be most unhappy if, under the force of circumstances, he felt he had to act in a sense contrary to that declaration. But I hope, for the sake of the United States and of the entire free world, that, should such a situation ever arise as a result of some really grave slump or a heavy reduction of the gold reserve below danger level, he would not consider himself inhibited by his Telstar declaration from resorting to that regrettable but necessary solution. I sincerely hope that, confronted with such an unfortunate dilemma he will allow himself to be guided by considerations of expediency rather than by dogmatic emotionalism. And since he has an essentially adult mind, I have no doubt that he will face his grave responsibility like a man.

I am fully aware of the disadvantages of a dollar devaluation.

Moral Aspects

But is Mr. Shull not inclined to exaggerate its moral aspects? After all, the United States did devalue in 1934 and did something infinitely worse by invalidating the gold clause that had been included in innumerable contracts. Yet impartial observers had to admit that, given the situation in the 'thirties, that solution was a necessary evil. The fact that, in spite of the devaluation and the accompanying repudiation of the gold clause, the financial prestige of the United States soon rose to unprecedented heights conclusively shows that general opinion in the United States and in the world is inclined to regard with much understanding the choice of such desperate remedies in desperate situations.

What matters is that the President and his Administration should do everything they could reasonably be expected to do in order to avoid being placed in a position in which even devaluation would have to be looked upon as the lesser evil. Most of us hope that the President will be able to carry out the intention he declared in his Telstar statement. The fact that in the past similar statements were followed by devaluation merely shows that denials and disclaimers are in themselves not nearly enough. In this connection it may be worth recalling that in Britain Chancellor Thorneycroft, having denied in 1957 his intention to devalue, took stern measures enabling him to resist devaluation pressure. Again in 1961 Chancellor Selwyn Lloyd took the necessary steps to avoid being placed in a situation in which he would have been forced to devalue.

What is needed is not bigger and better devaluation denials but bigger and better action in defense of the dollar, to make a devaluation unnecessary.

Bowyer Takes Over Exchange Memberships

SAN FRANCISCO, Calif. — Frank Bowyer, general partner in Schwabacher & Company, 100 Montgomery Street, members of the New York Stock Exchange and other leading exchanges, has been elected to membership in the New Cotton Exchange, the Commodity Exchange, Inc. and the New York Produce Exchange. He takes over the seats formerly held by the late Edward H. Robinson, Schwabacher's resident partner in New York.

Frank Bowyer

Mr. Bowyer joined Schwabacher & Co. in 1936 and was made a general partner in 1953. He is a member of the District Committee, National Association of Securities Dealers, and is former President of the San Francisco Trader's Association. He is a member of the San Francisco Bond Club and the Commercial Club of San Francisco.

First of Michigan Names Safford

CHICAGO, Ill. — Francis I. Safford has been appointed an institutional sales representative of the First of Michigan Corporation, 135 South La Salle Street.

Mr. Safford was most recently associated with Lee Higginson Corporation in Chicago as Manager of the Bond Department and in insitutional sales. He was previously associated with Collin, Norton & Company and Lincoln National Life Insurance Company.

Schwebel & Co., Inc.

Schwebel & Co., Inc. is engaging in a securities business from offices at 79 Wall Street, New York City. Officers are Benjamin Schwebel, President, and Louis Schwebel, Secretary and Treasurer.

G. E. C. Secs. Branch

WASHINGTON, D. C.—G. E. C. Securities, Inc. has opened a branch office in the Woodward Building under the management of Stephen Smith.

FROM WASHINGTON . . . Ahead of the News

BY CARLISLE BARGERON

Although President Kennedy gave General Lauris Norstadt a glowing letter when he resigned as commander of the NATO forces in Europe, the reports persist around Washington that Norstadt resigned because of a difference in policies.

Proposals to weaken America's defenses in Europe, first outlined by a variety of New Frontiersmen before taking office, later detailed in the "Liberal papers" and now being considered by the Kennedy Administration have been enhanced by many of the President's recent military changes, most important of which is supposed to have been Norstadt's resignation.

The "Liberal papers" a series of studies sponsored by 35 Democratic Congressmen, called for an elimination of nuclear deterrent systems and bases around the periphery of Russia, the abandonment of military alliances such as NATO and a ban on further development of nuclear weapons by nations which do not now have them.

In appointing General Maxwell Taylor to head the Joint Chiefs of Staff, President Kennedy named perhaps the only senior military officer who favors a heavy emphasis on conventional weapons instead of a "massive retaliation" nuclear devices. With the overwhelming superiority of Communist-bloc conventional forces in such trouble areas as Berlin, according to most military experts, any large scale dependence on armies not fully equipped and ready to use nuclear weapons is fool-hardy.

General Norstadt reportedly offered his resignation as NATO commander because of increasing difficulties thrown in his way by the New Frontier. Since his primary responsibility was that of building and maintaining a strong allied defensive force in Europe, the attacks of our State Department and the American delegation in the United Nations on such NATO allies as Portugal Belgium and the Netherlands, had made his task next to impossible. The appointment of General Lyman Lemnitzer to succeed him cannot be expected to alleviate the problems which already exist since the Administration shows no indication of changing its policies.

Similarly the recall of General James Gavin as ambassador to France, and his replacement with Charles "Chip" Bohlen is expected to weaken our ties with General DeGaulle's government. Primarily at stake is the French leader's refusal to knuckle under the Kennedy's Administration's wish to further concessions to Russia and his insistence upon developing a French nuclear striking force. Gavin it has been reported, favored the French position. Bohlen, on the other hand, is expected to support the Kennedy Administration position.

* * *

President Kennedy prides himself on his knowledge of history and he proved it to his staff recently. The way the President gave the answer to a question was as though any school boy could have answered it.

On a cold morning in January, a man took office as Chief Executive of his country at the age of 43. Standing beside him was his predecessor, a well beloved general who 15 years before was in command of the armed forces in a war which resulted in the complete defeat of Germany. The man who took the oath had also served in the armed forces of this war and had been brought up in the Catholic faith.

Lated the same day there was a five hour parade in his honor and he sat up until 3 o'clock in the morning celebrating. What is his name?

The staff was stumped. His name was Adolph Hitler.

The State of TRADE and INDUSTRY

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

In examining the make-up of the declining trend in new orders for durable goods since the first of the year, The Cleveland Trust Co. finds that the decline has been confined mostly to the primary metals — iron and steel — group except during the month of June. The bank's *Business Bulletin* for this week concludes, on the basis of June's drop, it would be premature to say this establishes a trend change.

Here is how Cleveland Trust sizes up the outlook:

"July is normally a relatively quiet month for industrial activity, though a very good one for vacation resorts. After allowing for seasonal dullness, early returns indicate a modest gain over June for business in general. The Federal Reserve index of industrial production (1957 = 100) advanced from 117.9 in June to 118.7 in July, a new peak. Forward progress of this index has been slow since February, but it has edged up each month. A year ago the index stood at 112.

"Total employment rose a little in July after seasonal adjustment, and unemployment declined. Consequently the ratio of unemployed to the labor force dropped from 5.5% in June to 5.3% in July. Other plus signs for July were increases in personal income and retail sales. On the minus side, declines from June occurred in construction outlays and in average hours worked per week in factories.

"The rise in retail sales was cheering because it reversed a two-month decline in May and June. The preliminary report on July sales of all retail stores, seasonally adjusted, shows a gain of about 2% over June. Most of this increase was in sales of durable-goods stores. Here a major factor was the high level of new passenger automobile sales. According to *Ward's Automotive Reports*, July sales of new domestic cars were the best for that month since 1955. Sales for the first seven months of 1962 were 25% ahead of the same 1961 period.

"Automobile production has also been maintained at a high point. Through Aug. 11 the industry had turned out nearly 4.4 million cars this year as against 3.2 million a year ealier. Current output is low because of model changeovers, but a substantial rise is in prospect when the 1963 models start rolling off the assembly lines. For all of 1962, production may reach or exceed 6.7 million cars, perhaps second only to the 1955 peak of 7.9 million.

"If the fourth quarter proves to be a big one for automobile output, the steel industry should benefit through larger orders from car producers. Steel has lately shown signs of coming out of the doldrums, with production turning up after a downhill slide of several months. It is hoped that the usual pickup in late summer and fall will be more than seasonal this time.

New Orders for Durable Goods

"The trend of new orders received by manufacturers is one of the better indicators of future industrial activity. Since orders precede production, an increase in the former is likely to be followed by a rise in the latter, and vice versa. Along this line a widely-used series is one on new orders for durable goods by months (seasonally adjusted), published by the Department of Commerce. In the past, turning-points in such orders have usually occurred ahead of those in industrial output. There have been exceptions—for example in 1951 during the Korean War, when the backlog of unfilled orders was so very large that a marked decline in new orders had little effect on production.

"After rising steadily for a year, new orders for durable goods began to slip in February, 1962. Since January each month except May has moved down. The preliminary figure for June is $15.3 billion as compared with $16.4 billion in January, or a drop of nearly 7%.

"In view of the past record, the declining trend of total orders for durables in recent months seems to imply a downturn in industrial production in the near future. However, most of the slide has been in the primary metals group, which includes iron and steel. Also, this group experienced a considerable jump in orders last December. It is therefore, worthwhile to discover what effect steel orders have had on the general trend, as follows:

New Orders for Durable Goods in Millions of Dollars, Seas. Adj.

	Total	Iron & Steel	Tot. Without Iron & Steel
1961—			
Nov.	$16,100	$1,480	$14,620
Dec.	16,240	1,940	14,300
1962—			
Jan.	16,430	1,860	14,570
Feb.	16,190	1,450	14,740
Mar.	16,000	1,340	14,660
Apr.	15,730	790	14,940
May	15,970	950	15,020
June *	15,330	910	14,420

* Preliminary

"Big changes in the iron and steel column above reflect first the build-up of steel supplies by users as a hedge against a possible steel strike; and later, a slump in steel orders while excess supplies were being worked off. When orders for steel are subtracted, the last column on the table presents a different picture from the first. There was a decrease in December, an upward trend January through May, and then a substantial drop in the preliminary June figure. But June was not much below January, while total orders including steel were down more than $1 billion in the same period.

Bank Clearings Rise 10.4% 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. 25, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 10.4% above those of the corresponding week last year. Our preliminary totals stand at $28,648,170,519 against $25,957,065,577 for the same week in 1961. Our comparative summary for some of the principal money centers follows:

Week End. Aug. 25—	(00s omitted) 1962	1961	%
New York	$15,363,355	$13,569,498	+13.2
Chicago	1,242,721	1,206,072	+ 3.0
Philadelphia	*1,100,000	1,043,000	+ 5.5
Boston	812,085	761,119	+ 6.7
Kansas City	516,073	476,910	+ 8.2

Steel's Output Down 0.3% From Preceding Week and Down 20.24% From Last Year's Week

According to data compiled by the American Iron and Steel Institute, production for the week ended Aug. 25, 1962, was 1,611,000 tons (*86.5%), as against 1,616,000 tons (*86.7%) in the week ending Aug. 18.

Data for the latest week ended Aug. 25, 1962, shows a production decline of 20.24% compared to last year's week output of 2,020,000 tons (*108.4%).

Production this year through Aug. 25 amounted to 64,306,000 tons (*104.7%), or 10.3% above the Jan. 1-Aug. 26, 1961, period.

The Institute concludes with Index of Ingot Production by Districts for week ended Aug. 25, 1962, as follows:

	* Index of Ingot Production for Week Ended Aug. 25, 1962
North East Coast	88
Buffalo	75
Pittsburgh	78
Youngstown	78
Cleveland	88
Detroit	95
Chicago	95
Cincinnati	82
St. Louis	96
Southern	94
Western	87
Total	86.5

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

Automakers Slow in Placing Orders For Steel

Automakers have started turning out 1963 model cars but they have not been ordering much steel for September delivery since they still have not worked off their first quarter inventory buildups, *Steel* magazine reported this week. It said most of the tonnage booked by steelmakers is for October delivery.

So steelmakers are writing off any hopes they may have had that September shipments would exceed August's by a good margin. Some mills are still talking about a 5 to 10% increase, but others figure that next month's shipments will do well to equal this month's. And some mills say the tonnage they have booked for October shipment to auto plants has been disappointing. However, producers add that it is too early to tell how the month will shape up. They point out that it is not unusual for a mill to book 30 to 40% of a month's shipments after the month has started.

Over-all, the steel business has not accelerated much since July, the year's low point, but it has been moving upward. If orders simply hold their own next month, they will be better than they were at midyear, says *Steel*.

An Eastern mill reports that new orders in August have been better across the board than those in any month since March. Another producer says its August orders topped July's by at least 20%.

Midwestern mills say their August shipments will be 10 to 15% higher than July's vs. gains of about 5% in the East.

Ingot production for August will total about 7.1 million tons, 900,000 tons more than the industry poured in July and the most it has produced since May, the metalworking weekly said.

Forecasts Slight Ingot Gain

Steel predicted that ingot output of the nation's steelmakers in the week ending Sept. 1 will be slightly higher than the 1,630,000 tons it estimates were poured in the week ended Aug. 25. Output then was 0.9% above that of the previous week.

The scrap market has turned downward after several weeks of price stability, *Steel* notes, its composite on the key grade (No. 1 heavy melting) slipping 33 cents a ton to $27.67 last week, the first decline since early June. Main reason behind the sign of uneasiness: Failure of domestic scrap demand to rise in step with a slight gain in steelmaking.

Month's Delay in Steel Upturn Attributed to Auto Hold Back

For steel mills, September will be the month that just missed sparking the upturn, *The Iron Age* said yesterday.

A flurry of orders from automakers last week won't be enough to bring a big boost in September steelmaking operations. As the situation stands now, September will show a modest improvement over August. And the last half of the month will be stronger than the first two weeks. But any sizable recovery will have to be postponed — possibly as late as November, the magazine said.

Chief reason for the delay is the slow startup of auto production. For the past few weeks output of new cars has been at the lowest level in postwar years. Two weeks ago the industry turned out just under 2,700 1963 models. A year ago output was over 17,000 units for the same week. Last week output was under 7,000 autos, while the same year-ago week saw production of 61,000.

On top of this, automakers are still whittling away at sizable stocks of steel. This process will continue for the rest of the year, regardless of how high auto output slimbs, *The Iron Age* noted.

For example: Despite record output of cars and trucks at General Motors, the company's steel intake in the first seven months of the year was up nearly 25% more than the increase in production. At Chrysler Corp. the increase in steel receipts for the same period was as much as three times as great as its increase in production over last year.

Only Ford Motor Co. boosted its steel buying by less than its hike in auto output. But even there the difference was only a few points. And there is growing evidence that Ford is producing an increasing portion of its steel needs.

Another possibility suggested for the slow pickup in auto production — automakers are trying to smooth out peaks and valleys of production because of the high costs of supplemental unemployment benefits.

It would mean a departure from traditional high overtime, all-out production of new models. This has generally been followed by cutbacks and layoffs in late December or early January, then another hike in output in the spring.

The tendency to hold back on orders is not limited to the automakers. Buyers in general, but small users in particular, tend to delay placing orders as long as possible. This makes it hard for mills to get an accurate advance picture of steelmaking operations.

However, one mill sees September as follows — hot-and cold-rolled sheet up about 10%, hot-rolled and cold-finished bars up about 10%, wire up 10%, tinplate seasonally down 20%, plate up slightly, and pipe and tubing about the same as August.

Auto Manufacturers to Offer More Models

For the 1963 model year U. S. auto makers have already fashioned more than 400 versions of their new cars — so far, a dozen more than the 396 different offerings made in the 1962 model year —according to the latest weekly *Ward's Automotive Reports*.

The statistical agency said that although across the industry several thousand prototype — or pilot — models of 1963 designs have been produced in recent weeks, regular assembly operations have begun for only two companies, both affecting their 1963 "start-ups" this week.

Chrysler Corp. which manufactures Plymouth, Dodge, Valiant, Imperial and Chrysler cars, began output a week ago last Monday from three Detroit - area plants and facilities at St. Louis and Newark, Del. A sixth Chrysler Corp. plant, at Los Angeles, will begin making the 1963 cars next week.

American Motors Corp., which manufactures the Rambler car, had one assembly shift at work last week in its Kenosha, Wisc. plant. Following a volume build-up, in the next week or two, Rambler making will be on two shifts as it was during most of the 1962 model run.

Ward's said that the two auto makers will account for about 95% of 6,795 passenger cars scheduled by the industry this week. Other output will be represented in tentative assembly of Ford Falcons and limited production of Studebaker Corp.'s Avanti car.

Last week, of 3,222 cars made, 1,832 were 1962 model Ford Motor Co. cars, 1,339 were pre-production Ramblers and 33 Studebaker Avantis.

In the corresponding week a year ago, following an earlier industry changeover, 61,401 passenger cars were made.

Production will not be industry-wide until after Labor Day, by which time General Motors and Ford Motor Co. will enter the new model race.

U. S. Factory Production

	This Week Est.	Last Week Revs'd	Same Week Last Yr.	To Date 1962	To Date 1961
Cars:	6,795	3,222	61,401	4,369,032	3,259,398
Trucks:	12,751	13,471	21,791	805,751	716,480
Total:	19,546	16,693	83,192	5,174,783	3,975,878

Freight Carloadings Drop 2.1% Below 1961 Week

Loading of revenue freight in the week ended Aug. 18 totaled 582,626 cars, the Association of American Railroads announced. This was an increase of 16,745 cars or 3% above the preceding week.

The loadings represented a decrease of 12,459 cars or 2.1% below the corresponding week in 1961, and a decrease of 13,838 cars or 2.3% below the corresponding week in 1960.

There were 13,248 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Aug. 11, 1962 (which were included in that week's over-all total). This was an increase of 2,341 cars or 21.5% above the corresponding week of 1961 and 2,480 cars or 23% above the 1960 week.

Cumulative piggyback loadings for the first 32 weeks of 1962 totaled 423,091 cars for an increase of 73,654 cars or 21.1% above the corresponding period of 1961, and 85,480 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.

Truck Tonnage Up 0.7% Above Last Year's Week

Intercity truck tonnage in the week ended Aug. 18 was 0.7% ahead of the volume in the corresponding week of 1961, the American Trucking Association announced. Truck tonnage was 1.9% ahead of the volume for the previous week of this year.

The year-to-year gains during the last two weeks are the smallest since September, 1961. However, the narrowness of the gain is influenced by the general recovery in freight volume experienced at this time a year ago.

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

The terminal survey for last week showed increased tonnage from a year ago at 17 localities, while 16 points reflected decreases from the 1961 level. One area, Oklahoma City, showed no change from the corresponding week of

Continued on page 39

The Market . . . And You

BY WALLACE STREETE

The stock market was reactionary this week both because a new overhead resistance level had cropped up, and also because it is normal for Wall Street to be cautious as Labor Day looms. This particular holiday, and the period when fall business prospects are re-surveyed, have on occasion marked a switch in investment sentiment to the pessimistic side. So a watchful attitude is normal.

The record so far shows a recovery to the brink of 620 for the industrial average which was rather widely predicted as the beginning of the area where trouble would be encountered since it marks about a halfway retracement between the year's high and the selloff low posted late in June. Such widespread predictions frequently generate the exact action they predict in advance.

The "Technical" Indications

The more optimistic of the technical indications was turnover which soared above the four and a half million line as the list was moving to the recovery peak, but then dried up sharply as the profit-taking moved in.

It is much the same pattern as prevailed when the industrial average was trying to work through the 600 area, which proved to be a stubborn resistance area. Once there was a chance of accomplishing it, however, trading interest perked up obviously and another score of points was added to the recovery in a rush.

The feeling was fairly general that the rally had not run out its allotted span since the technicians who came up with the 620-30 area as the first obstacle had anticipated the roadblock, a period of further hesitation and then a recovery to the 640-50 area.

A good part of this expectation is based, in part, on the experience after the 1946 break, which in its way was largely a break in the prevailing confidence and speculation of that period that was more psychological than it was indicative of the market's forecasting ability.

Bear Market Precedents

The fall from the 1961 peak to this year's low ran about 29%; in 1946 the drop was some 25%. The low at that time was posted in less than five months; this time it took seven months if the low already on the record was a major bottom and stands up in the future.

The 1946 record, however, is clear. It wasn't until the middle of 1949 that the low of October, 1946, was retested and held. And from there on, with minor interruptions, the path was upward more or less without any upsets that were as jarring to sentiment.

There were, however, some lulls and it normally takes some time to repair the damage of even an intermediate, mild decline. After the 1956 market peak was posted, and then corrected through an actual recession, it was two years before that lost ground was retraced. After the 1959 peak, again with a valid recession as an excuse for the subsequent selloff, it was a year and a half before that downward cycle was wiped out completely by the recovery.

So far in this more unnerving upset, the low is only two months past, hence few of the market students are talking so glowingly, as they have on several occasions in the past, of eventual readings in the stratosphere. At one stage the nice, round figure that was popular to pull out of thin air was a reading of 1,000 for the industrial average.

Selectivity The Key

Far more important, and so viewed by many of the more reasoned market technicians, was that selection will be far more important in the immediate future than the action of the averages which may or may not coincide with the action of a particular issue. Selectivity was no stranger to the bull run-up, and toward the end of the run became even more important with many issues in their own private bear markets even while new highs were being posted by the averages.

The concentration was almost entirely aimed at demonstrated value, hidden value and — to a minor degree—a bit on the blue chip companies like IBM that, while their market price had outrun the visible potentials, are still showing superior growth ability.

SBIC Interest

There was also something of renewed interest in some of the newer forms of investing mediums that have popped up recently, such as the Small Business Investment Companies which offer large profit possibilities on their basic capital because of their favorable borrowing opportunities. The SBIC companies can borrow the equivalent of half again of their capital from the government's Small Business Administration.

The SBIC companies are also attractive to high-tax-bracket investors since any losses on SBIC shares are deductible against ordinary income regardless of the time the shares were held.

These companies are still listed as speculative since they were set up comparatively recently and the nature of their operations mitigates against any significant earnings power in the first few years it takes to get going. More important to would-be investors is that when they were a fad, their prices ran to unreasonable levels not justified by either their prospects or their book value.

Since then they have had their own correction and much of the inflation in the prices of the stocks has been wiped out. In fact, there are some, like Midland Capital Corp., where discounts from book value run to 28%. Midland so far has been able to find attractive situations for nearly half of its total capitalization, and its investments are diverse.

Midland was set up by the bank holding company, Marine Midland Corp., which controls 11 banks in New York State with directors and officers who should be best able to appraise small businesses for potential value.

Stirring Real Estate Trusts

The real estate investment trusts have also shown some stirring since they, too, offer tax advantages to holders. Like other investment trusts, the realty invest trusts don't have to pay income on funds they distribute to shareholders if 90% or more is paid out.

For holders, the cost basis of the shares is reduced by the payout so until the cost has been completely recovered there is no tax liability. After that they are long term capital gains.

U. S. Realty Investments, for instance, had rental income of more than $2 millions in its first year. Under the approved accounting principles, it showed a net income loss of $683 for the year. An added benefit were payments that reduced the mortgage liability of its properties by $226,000 in the year, and should run half a million this year. Under these circumstances, high payouts are assured and in the case of U. S. Realty, at recent market levels, the 70-cent payout comes to a return of nearly 7½%.

The company's first year of operations saw properties acquired at a cost of $27,747,000 with a good balance between shopping centers, apartment houses and office buildings and a sprinkling of industrial properties and shops. The tenants are companies of national stature, hence high credit rating. The company's affairs are run by a board with competent real estate, law, engineering, bank and industrial experience to give seasoned judgment to its decisions.

[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.]

Control Data Corp. Debens. Offered

Public offering of $15,000,000 Control Data Corp. 4½% convertible subordinated debentures due 1977 is being made by an underwriting group managed by Dean Witter & Co. The debentures, priced at 102% plus accrued interest, are convertible into common stock of the company at $43 a share.

Mandatory sinking fund payments commence on Sept. 1, 1968 and are designed to retire $1,125,000 of the debentures annually. The debentures will be redeemable at the option of the company on not less than 30 days notice, at prices ranging from 107% during the first year to par during the last year.

Net proceeds from the sale will be used in part to pay outstanding bank loans, estimated to be approximately $14,000,000. The balance of the proceeds will be added to the general funds of the company and will be available for any corporate purposes.

Control Data Corp., founded in July, 1957, designs, develops, manufactures and markets advanced fully-transistorized, high-speed digital computing systems and equipment and peripheral equipment, including input-output devices for use with computers. The Minneapolis-based firm also designs and manufactures electronic and electromechanical components.

Its wholly-owned subsidiary, Control Corp., designs, manufactures and sells electronic supervisory control and communications equipment and fully transistorized control systems, utilizing electronic digital computers for application in the industrial and utility field.

Net sales, rentals and service income for the year ended June 30, 1962, totaled $41,034,009, and net earnings applicable to common stock amounted to $1,521,622, or 39 cents a share, compared with net sales, rentals and service income of $19,783,745 and net earnings applicable to common stock of $821,524, or 24 cents a share, for the preceding 12-month period.

Now Ridgway, McLeod

PLAINFIELD, N. J.—The firm name of McLeod & Co., 501 Park Avenue has been changed to Ridgway, McLeod, Artale and Associates. Officers are Eric O. Ridgway, President; William McLeod, Vice-President; and Vincent A. Artale, Vice-President and Treasurer.

Two With Pressprich

PORTLAND, Ore.—William W. Gallagher and Richard A. Rubinstein have become associated with R. W. Pressprich & Co., 812 Southwest Washington Street. Mr. Gallagher was formerly in the trading department of Zilka, Smither & Co., Inc. Mr. Rubinstein was with Black & Company, Inc.

General Foods Corporation

By Dr. Ira U. Cobleigh, *Economist*

Its coffee cup runneth over with profits at an all-time high, and a balanced diet of packaged foods for man and dog.

Years ago, many of us began eating Post Toasties for breakfast, and drinking Postum, if we thought coffee was a little too stimulating. These were products of C. W. Post Company, cornerstone of what is now the premier packaged food company in the entire world, General Foods Corporation, with annual sales now running at the rate of $1¼ billion.

Growth and Magnitude

General Foods Corporation became great by offering high quality products, advertising and merchandising them well; and by expanding its product mix and broadening the base of earning power through profit-laden mergers. Postum has waned as a non-nerve-jangling drink, and "Post" cereals are far less predominant at the breakfast table than they were 40 years ago. But, in other divisions, General Foods has so surged ahead in sales and profits that it has been able to increase the dividend on the common stock in each of the past 10 years.

Product Diversity

As a matter of fact, the most impressive growth of the company has occurred in the past decade, during which sales increased 70% (to $1.2 billion for fiscal 1962, which ended March 31, 1962); and profit margins improved from 3.2% in 1952 to 6.1% in 1962. Today, General Foods derives its earnings from over 250 grocery products, including 30 widely advertised name brands, plus assorted household cleaning aids. Anyone with an appetite, a thirst, a TV set, a radio, or a dog, is familiar with Jell-O, Swans Down flour and cake mixes, "Birds Eye" frozen foods, Log Cabin syrup, Gaines Dog Foods, S.O.S. soap pads, Maxwell House Coffee and serene Sanka.

Biggest in Coffee

While assorted food lines make their sizable contributions to G.F. sales, it is coffee that pours in the most revenue. In fiscal 1962, coffee delivered about $400 million (roughly 35%) in sales. Maxwell House and Yuban, together, account for over 20% of American sales of regular coffee, and Maxwell House Instant, about 45% of the "can't wait" variety. Of the fabled coffee in Brazil, nobody—but nobody — buys more than General Foods. In fact, the company buys one-third of all coffee (green beans in burlap bags) brought into the United States. The market for these raw beans has been most favorable to General Foods (and other American roasters) for several years. While coffee, at retail, has experienced some price reductions, raw coffee has dropped even more (from 87 cents for Brazilian Santos No. 4 in 1954, to 34 cents today). Harsher and cheaper African varieties used in higher proportion for blending instant brands, have dipped even more, percentage-wise. General Foods has been especially successful, in this intensely competitive coffee trade, in retaining and expanding customer preferences for its well-advertised brands—"good to the last drop." With Brazil needing money and bulging with coffee, prices of coffee in the raw seem unlikely to advance, so profit margins at General Foods should continue favorable in this division.

Jell-O and Packaged Foods

During the years when Jack Benny was selling Jell-O on radio, and since, this opague dessert has dominated its market, selling more than three times as much, annually, as its major competitor.

Milady doesn't go for baking much these days, but she does go for cake mixes. Here, Swans Down is a respected name, although it does have three other big companies that continue to offer steady and effective competition.

"Birds Eye" was the recognized pioneer in frozen foods, but the idea has caught on so well that 3 billion pounds of frigid fruits and vegetables will be prepared in America this year, and squeeze their way into freezer compartments. Of this huge business, "Birds Eye" will probably account for around $200 million in fiscal 1963.

Add to these, sales of baking powder, dog foods and the La-France laundry line, and you get a pretty good view of the total product mix. In addition, there are new products, and improvements on old ones, stemming from a research and development program now involving a $15 million annual outlay.

Foreign business, which accounted for about 5% of net profits last year, is being rapidly expanded, and should make major contributions to earning power in future years.

A Growth Stock

From the investor's viewpoint, GF common has moved away from the traditional classification of food shares, as defensive issues valued primarily for income dependability. GF is a growth stock and can prove it. It's net earnings have risen 9.9% annually, compounded, for the past five years. At the height of the market, in 1961, this quality equity sold at 37 times earnings, "like a growth stock should." Today, the market appraisal is more subdued and more attractive. At 69, GF sells at about 22 times this year's indicated per share net of $3.10 (an all-time high). The present indicated dividend is $1.80, $.20 higher than the 1961 rate. Range of the stock has been between 57¾ and 96, this year.

The continued growth of this distinguished enterprise, under the gifted guidance of Mr. Charles G. Mortimer, Chairman, and a talented management team; its excellent profit margins in a highly competitive industry; and its leadership in the fast growing field of convenience foods, would seem to make GF common a desirable purchase, at current levels. If the present yield of 2.7% seems a bit low, it may be improved in due course, by dividend increases, which have become almost traditional at General Foods.

Two With Kemper Co.

(Special to THE FINANCIAL CHRONICLE)

DAYTON, Ohio — Albert L. Schuck, Jr. and Thomas I. Smallwood have joined the staff of John A. Kemper & Co., 32 North Ludlow Street. Both were formerly with Ball, Burge & Kraus.

To Be Kastor, Bigley & Co.

On September 10th the firm name of Hecht & Co., 14 Wall Street, New York City, members of the New York Stock Exchange, will be changed to Kastor, Bigley & Co. Robert F. Bigley and Carmine J. Teti will become partners in the firm on that date.

Two With Calif. Inv.

PASADENA, Calif. — Howard J. Davidson and Sylvia Mayes have become affiliated with California Investors, 690 East Green Street. Mr. Davidson was formely with Leo G. MacLaughlin Securities Co. and Miss Mayes was with Estate Funding Corp.

BANK AND INSURANCE STOCKS

This Week — Bank Stocks

FIRST NATIONAL BANK IN ALBUQUERQUE

During the latter part of 1961, there was a report on the First National Bank of Albuquerque. At that time the stock was selling at $47-$49 per share. Subsequently, the rise in the market carried the stock of this institution to the $53-$55 price level. With the decline in the market, the price of these shares fell appreciably. In view or the outlook for earnings of commercial banks in the west and southwest, one would expect lower earnings for 1962. Reported earnings for the first six months of this year, however, were $1.56 versus $1.23 for the same period of 1961. This unusual performance indicates substantially higher earnings for the year, and, on the basis of these estimated earnings, the shares of the bank are attractively priced at current levels.

Much of the long-term growth and success of the bank will depend upon the deposit growth in the Albuquerque area. All long-term forecasts as to growth here are favorable. The city is the largest one in the state and is centrally located. As a result, it is a commercial and service center. In addition to these factors which are conducive to economic stability, there is a large tourist business, due in part to favorable climactic conditions. Also of importance are educational and governmental agencies. The University of New Mexico is large, with enrollment approaching 8,000. Currently, the Atomic Energy Commission operates a special weapons project which employs more than 7,000, ranking it as the largest employer in the state.

Although manufacturing is of secondary importance, it has grown in numbers of employed by close to 50% in the last decade. Some of the more important employers are connected with nuclear energy, and supply the Atomic Energy Commission in this area. In addition, the oil and gas industry is growing in this area known as the San Juan Bas in in northwestern New Mexico. All of these factors point to a continued growth for the city, and a continuation of the growth in bank deposits which have shown an annual increase of close to 15% over the past 10 years.

As one of the largest banks in Albuquerque, total deposits as of June 30, 1962 were up slightly more than 4%. In spite of this increase, the bank remains one of the smaller commercial banks in the country. The number of shares of stock outstanding at 370,000 is not significant so that large institutional acquisition is not possible. Regardless, the bank is a significant one in the area with able management indicated by their ability to increase earnings in view of a rise in interest paid on time deposits to 4%. The major portion of the building program is to be completed with the completion of construction of a new 17-story office building. In view of the factors mentioned, the price of the stock is reasonable at the present time. With a relatively high loan to deposit ratio, dividend treatment may be deemed favorable over the long run.

First National Bank in Albuquerque

Price	Dividend	Yield	Est. Earnings (1962)	P/E Ratio
$41	$1.50	3.7%	$3.20	12.8

COMPARATIVE STATEMENT OF OPERATIVE EARNINGS
Six Months Ending June 30

Operative Income:	*1962*	*1961*
Interest on Loans	$2,064,749.59	$1,858,261.49
Interest on Securities	551,837.06	488,810.21
Other Operating Income	584,917.84	504,699.24
Total Operating Income	$3,201,504.49	$2,851,770.94
Operating Expense:		
Salaries and Employee Benefits	$834,643.64	$810,296.01
Interest on Time Deposits	611,063.59	475,534.80
Taxes (Other than Income)	186,570.00	186,240.00
Other Operating Expenses	609,170.01	572,416.46
Total Operating Expense	$2,241,447.24	$2,044,487.27
Operating Earnings	$960,057.25	$807,283.67
Provision for Fed. Tax on Operating Earnings	$384,080.00	$351,260.00
Net Operating Earnings	$575,977.25	$456,023.67
Earnings per Share	$1.56	$1.23

FIRST NATIONAL BANK IN ALBUQUERQUE
COMPARATIVE STATEMENT OF CONDITION
June 30

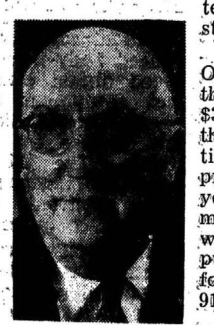
Resources:	*1962*	*1961*
Cash and Due from Banks	$18,724,931.81	$23,083,633.75
U. S. Government Securities	29,287,785.37	27,731,309.25
Mun'pal Bond & Other Securities	3,642,260.62	3,586,945.34
Stock in Federal Reserve Bank	277,500.00	263,250.00
*Loans and Discounts	*61,543,706.29	*55,633,353.01
Federal Funds Sold	2,000,000.00	None
Bank Buildings, Furniture, Fixtures and Equipment	1,109,254.47	1,146,238.24
Accrued Interest Receivable	687,608.08	618,809.71
Other Resources	100,953.50	114,513.76
Total Resources	$117,374,060.14	$112,178,053.06
Liabilities:		
Capital Stock	$4,625,000.00	$4,625,000.00
Surplus	4,625,000.00	4,150,000.00
*Undivided Profits & Reserves	*706,774.85	*552,892.07
Total Capital Accounts	$9,956,774.85	$9,327,892.07
Demand Deposits	$69,716,348.01	$67,195,502.58
Savings and Time Deposits	35,686,242.99	33,826,747.06
Total Deposits	$105,402,591.00	$101,022,249.64
Reserves for Taxes, Interest, etc.	$834,232.69	$753,635.59
Unearned Discount	1,041,711.60	1,074,275.76
Divid'd Declared, Payable 7/2/62	138,750.00	None
Total Liabilities	$117,374,060.14	$112,178,053.06

** Loans are shown net after deduction of Loan Valuation Reserve.*

Ample Mortgage Funds Forecast by FNMA Head

In reporting on the second quarter of 1962 financial statement of the Secondary Market Operations for FNMA, President J. Stanley Baughman forecasts a continuing plentiful supply of residential mortgage money due to continuing pattern of decline in offerings and purchase of mortgages with increasing sales.

The plentiful supply of residential mortgage money currently available to prospective homebuyers will continue through the end of the year. This forecast was made by J. Stanley Baughman, President of the Federal National Mortgage Association in releasing the Association's report and financial statement of Secondary Market Operations for the second quarter of 1962. Mr. Baughman based his prediction on information obtained through a current nation-wide survey of the mortgage market conducted by the agency's field offices and on an analysis of the quarterly report which reveals that the trends evidenced in the first quarter continued through the second quarter with offerings and purchases of mortgages continuing to decline while sales continued to increase.



J. S. Baughman

Offerings Decline — Sales Rise

FNMA's offerings dropped 54%, from 20,232 estimated at $266,100,000 received in the first quarter to 9,312 worth approximately $121,100,000 received in the second quarter. Purchases also decreased from 20,952 worth $275,245,000 acquired in the first quarter to 8,999 worth $122,449,000 in the second quarter—a 57% reduction, while sales more than doubled from 7,295 for $84,570,000 in the first quarter to 18,711 for $225,969,000 in the second quarter.

FNMA Portfolio Attracts Long-Term Investors

Commenting on the substantial step-up in sales, FNMA's chief executive said "while the period of so-called 'monetary ease' we experienced during the second quarter was undoubtedly a major factor in the increased demand for our mortgages, I believe that recognition of the select, prime quality, well-seasoned mortgages in the FNMA portfolio by long-term investors contributed substantially to the gain."

Combined Secondary Market Operations purchases and sales for the second quarter amounted to $348,418,000, $11,400,000 less than the preceding quarter. Cumulative total transactions since the program's inception almost eight years ago passed the $6 billion mark at the end of the quarter with $4,678,339,000 in mortgages purchased and $1,351,574,000 sold for a combined total of $6,029,913,000.

An analysis of second quarter purchases reveals that there were more than 2½ times as many FHA-insured mortgages bought as VA-guaranteed with 6,596 FHA's worth $91,000,000 acquired compared to 2,403 GI liens worth $31,400,000. The purchases covered properties located in 43 states, the District of Columbia and Puerto Rico and represented transactions involving 587 different sellers.

Mortgage Bankers Lead List of Sellers

A breakdown of sellers shows that mortgage bankers were by far the most active with 445 mortgage companies, (76%) leading the list, followed by 105 banks and trust companies, (18%); 31 savings and loan associations, (5%), and 6 insurance companies, (1%).

Portfolio liquidation other than the $225,969,000 in sales made during the quarter amounted to $47,700,000, mainly in the form of principal repayments and prepayments. At the end of the quarter, the Secondary Market Operations portfolio consisted of 253,513 FHA and VA mortgages with unpaid principal balances of $2,871,000,000.

Private Ownership Increases

The report also showed that private ownership in the corporation was increased $3,443,300 during the quarter, bringing the total of common stock outstanding to $86,866,800 held by 8,804 different stockholders. Common stock subscriptions during the period amounted to $2,400,000, bringing the cumulative total at the end of the quarter to $87,500,000. The agency's common stock is issued only to sellers of mortgages to FNMA but is transferable thereafter. The corporation's preferred stock outstanding, held exclusively by the U. S. Treasury, remained the same, amounting to $158,820,305 on June 30.

FNMA's Financing

The Association financed its purchases during the quarter from proceeds of mortgage sales, repayments, common stock subscriptions, and income. The average maturity of the $2 billion 165 million of debentures outstanding in the market on June 30 was six years, two months (74 months).

During the quarter the agency issued $186 million of short-term discount notes and redeemed $288 million, leaving $391 million outstanding at June 30.

FNMA's Earnings

FNMA's net earnings under its Secondary Market Operations during the quarter amounted to $6,141,171 after expenses and after the establishment of reserves for losses of $454,227 and providing for payment of $6,652,935 to the U. S. Treasury as the equivalent of Federal income taxes. Earnings amounted to $3.04 on each share of common stock subscribed and $3.24 on each share of utilized preferred stock. Provision was made for dividends of $879,633 to be paid on Treasury-held preferred stock and $696,409 on common stock, leaving $4,565,129 for transfer to general surplus.

The Association has regional agency offices in Philadelphia, Atlanta, Chicago, Dallas and Los Angeles in addition to a sales office and a fiscal agency office in New York City.

Executives Aren't Illness Prone

DuPont medical head finds executives are no more prone to illnesses than non-executives.

Business executives are no more subject to the stress diseases of high blood pressure, heart disease and ulcers than non-executives. This was the conclusion of a study conducted at E. I. Du Pont de Nemours & Co., according to Dr. Allan J. Fleming, Du Pont Medical Director, writing in the "Executive Health" issue of *Advanced Management-Office Executive*, official monthly publication of the Society for Advancement of Management and the National Office Management Association.

Comparing the blood pressure, body weight, serum cholesterol and smoking habits of executives and non-executives in a study group of 1,585 salaried employees, 40 to 64 years of age, Dr. Fleming found no significant difference in the prevalence of high blood pressure, overweight and excessive cholesterol.

"As a result of our studies," Dr. Fleming says, "we feel that we can assure the up-and-coming young executive that the risk of developing stress disease as he climbs the executive ladder is in no way increased by the climb. In fact, the statistical risk of developing such disease is slightly decreased the higher he climbs."

Markoff, Sterman, Gowell

BOSTON, Mass. — Markoff, Sterman & Gowell Incorporated has been formed with offices at 79 Milk Street, to engage in a securities business. Leon F. Markoff, formerly a Vice-President of Burbank & Co., Inc., is a principal of the firm.

NEWS ABOUT BANKS AND BANKERS

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

The First National City Bank, New York announced that Daniel C. deMenocal, Vice-President, will take over supervision of the North Central District.

The Middle Western District includes the states of Arkansas, Colorado, Kansas and Missouri. The North Central District consists of Iowa, Minnesota, Montana, Nebraska, North Dakota, South Dakota and Wyoming. Both Districts were previously supervised by Burton J. Lee, Vice-President, who died suddenly on July 22, 1962.

Mr. Conway served as a Captain with the Field Artillery during World War II and saw combat duty in the European Theater of Operations. He came to the Bank in 1946 and has served with the Bank's National Division since 1951. He is a graduate of Princeton University, Class of 1940, is a native of South Orange, N. J., and a resident of Bronxville, New York.

Mr. deMenocal, who was appointed a Vice-President on June 19, 1962, joined the Bank in 1950. He joined the Middle Western District in 1952, and has been with the North Central District since 1960.

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Meadow Brook National Bank, West Hempstead, N. Y., elected Peter Johner, Jr., a Vice-President.

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Meadow Brook National Bank, in New York plans a merger by which it would acquire the **Bank of Huntington, Huntington, L. I.,** it was announced by managements of the two institutions.

The plan is subject to approval by stockholders of both Banks and by Federal regulatory authorities. It calls for issuance of 3½ Meadow Brook shares in exchange for each Bank of Huntington share. It provides also that Harold L. Tuttle, Huntington President, will become a Meadow Brook director.

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The Long Island Trust Company, Garden City, New York elected David F. Devine and Ralph D. Howell, Directors.

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The Board of Governors of the Federal Reserve System on Aug. 17 announced its approval of the merger of **The Connecticut Bank and Trust Company, Hartford, Conn.,** with **The Wallingford Bank and Trust Company, Wallingford, Conn.**

* * *

On July 20, 1962 Rights were forwarded to the shareholders of **The First National Bank of Toms River, N. J.,** entitling them to subscribe for 24,000 shares of additional capital stock of The First National Bank of Toms River, N. J. at $24.00 a share, which Rights, if not exercised on Aug. 17, became void.

All shares were subscribed and paid for with the exception of 200 shares. As required, the 200 shares were sold at public auction in the Board Room of the Bank, and were sold at $33.1875 per share.

The sale of stock increased the Capital of the Bank outstanding from $2,160,000.00 to $2,280,000.00; the Surplus from $3,100,000.00 to $3,556,000.00, which was additionally increased by the transfer of $44,000.00 from Undivided Profits to Surplus Account increasing the total Surplus to $3,600,000.00. The Capital is now $2,280,000.00; Surplus $3,600,000.00 Undivided Profits $1,142,000.00, Reserves for Future Losses, if they should occur, $420,000.00—Total $7,442,000.00 The total resources of the Bank are now in excess of $80,000,000.00.

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Plans for the opening of a new Branch Office in Stirling, Passaic Township, were announced by the **First National Iron Bank of Morristown, N. J.,** following approval of the Bank's application by the Comptroller of the Currency.

Details of the opening date, will be announced later.

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Pittsburgh National Bank, Pittsburgh, Pa., elected Elmer C. Grant, Jr., a Vice-President.

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The Board of Governors of the Federal Reserve System on Aug. 22 announced its approval of the acquisition of the assets of **First National Bank in Wampum, Wampum, Pa.,** and the assumption of its liabilities by **Lawrence Savings and Trust Co., New Castle, Pennsylvania.**

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The **National Bank of Commerce, Norfolk, Va.,** announced the retirement of John S. Alfriend as Chief Executive Officer and the assumption of his duties by R. Cosby Moore, President. Mr. Alfriend continues as Chairman of the Board.

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The Board of Governors of the Federal Reserve System on Aug. 27 announced its approval of the merger of the **Bank of Alberta, Alberta, Va.,** into **Farmers and Merchants Bank of Lawrenceville, Lawrenceville, Va.**

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The Board of Governors of the Federal Reserve System on Aug. 22 announced its approval of the merger of **The Suburban Bank, Henrico County (Richmond), Va.,** into **State-Planters Bank of Commerce and Trusts, Richmond, Va.**

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Havelock National Bank, Lincoln, Neb., elected A. C. Eichberg President, succeeding the late Victor E. Anderson.

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Two additional officers have been elected to the staff of the new **International Bank, Houston, Texas,** to be located at 1300 Texas Avenue.

Clyde G. Godbold, formerly Cashier at **Fidelity Bank & Trust Co., Houston, Texas,** has been elected Vice-President and Guy D. Davidson, former Vice-President and Cashier at the **Westview National Bank in Waco, Texas,** will become Vice - President and Cashier.

In addition, other new officers of the bank include John Hazard, Executive Vice-President; John F. G. Kalb, Assistant Cashier and Auditor, and Irvin M. Shlenker, President.

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Bank of America, San Francisco, Calif., made A. B. Gilman Vice-President in charge of California branch operations.

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Gordon McRae, Vice - President and Manager of the Pasco Branch of the **Seattle-First National Bank, Seattle, Wash.,** will go to the Spokane and Eastern Branch to become branch supervisor of the banks offices in Eastern Washington.

J. Ford Smith, Assistant Vice-President and Manager of the Toppenish Branch, will succeed Mr. McRae at Pasco. He will be replaced as Manager of the Toppenish Branch by Clifford A. Montague, presently Assistant Manager of the Moses Lake Branch.

It is expected that Mr. Montague will assume his new duties early in September and that the change at Pasco will be completed later in the month.

In his new administrative post at Spokane, Mr. McRae succeeds Vice-President Edward W. Jarboe who comes to Seattle at the month-end to become branch supervisor of the banks statewide system.

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Edward W. Jarboe, Vice-President at the Spokane and Eastern Branch, will transfer to the Main Office in Seattle to become Supervisor of branches of the **Seattle-First National Bank, Seattle, Wash.,** as of Aug. 31.

Mr. Jarboe will succeed Bernhard C. Grangaard, Vice-President, who will leave Seattle-First National Bank on that date to accept the Presidency of the **Central National Bank and Trust Company of Des Moines, Iowa.**

Dean Witter Jr. Aids Fund Drive

Dean Witter, Jr., partner of Dean Witter & Company, has been named Vice-Chairman of the Hospital Trustees Division of the 1962 United Hospital Fund campagin. Frederick D. Forsch, chairman of the Division, made the announcement today. Mr. Forsch is with the investment firm of Kuhn, Loeb & Company.

As Vice-Chairman, Mr. Witter will assist Mr. Forsch in leading six hundred volunteers in Manhattan and The Bronx toward the Division's quota of $750,000. The total campaign goal is $3,000,000. The money raised will be distributed among the 81 member non-profit, voluntary hospitals to reimburse them for the free and below cost care they administer to the medically needy.

Mr. Witter is a trustee of the Hospital for Special Surgery; a trustee of the Academy of Religion and Mental Health; director of the Fountain House Foundation; and a committee member of the Rhinelander Children's Center of The Children's Aid Society.

Lee Higginson Names

Richard B. Tupper has been named a registered representative of Lee Higginson Corporation, investment bankers, 20 Broad Street, New York City.

Prior to joining Lee Higginson, Mr. Tupper was vice president of Francis Blod Design Associates, New York, in charge of client contact and marketing services. Before joining the Blod organization, he was an assistant account executive at Benton & Bowles advertising agency, New York.

Business Growth Funding

WHITESTONE, N. Y.—Business Growth Funding Corporation is engaging in a securities business from offices at 168-11 12th Avenue. David A. Dank is President.

Joins Schaefer, Lowe

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Stanley E. Jonah has become associated with Schaefer, Lowe & McCamant, Inc., 1 Bush Street. He was formerly with Stone & Youngberg.

With Janney, Battles

PHILADELPHIA, Pa. — Janney, Battles & E. W. Clark, Inc., 1401 Walnut Street, members of the New York Stock Exchange and other leading exchanges, announce that Harry J. Binder and Donald Malcolm Patterson are now associated with them as registered representatives.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Central Louisiana Electric Company

Central Louisiana Electric Co. serves electricity, gas and water to a large area in rural Louisiana; originally the company had large non-utility operations including ice, dairy, coca cola and ice cream, but the last business of this character was disposed of in 1959. Electricity accounted for 72% of 1961 revenues, gas 24% and water 4%. Industrial business is relatively small contributing about 15% of electric revenues and 21% of gas. Oil and gas are the most important industries, while carbon black and gravel are large consumers of power; timber and pulp wood production are gaining in importance. Sugar cane, rice and cotton are major agricultural crops.

The company has developed its own gas pipeline system, providing for gas fuel requirements as well as for gas required for retail distribution. The pipe-line subsidiary, Louisiana Intrastate Gas, began operations six years ago. The heavy summer requirements for boiler fuel help balance the winter heating requirements of customers. Net income from the gas subsidiary has increased from $99,000 in 1959 to about $400,000 currently.

As indicated above, most non-utility properties have been disposed of but two subsidiaries which are directly associated with the utility set-up are South Louisiana Production Co. and Pineland Development Corp. The former has some gas wells and operates gasoline plants; it has not made any important contribution to earnings yet but has development possibilities. Pineland has made extensive studies of lignite resources in the service area and itself owns fee lands with some seven million tons of lignite reserves.

Another subsidiary, Louisiana Rural Electric Corp. was set up to build electric facilities under the REA in Washington and has obtained 2% loans aggregating $5,384,000 for this purpose; all of its properties are leased to and operated by the parent company.

Central Louisiana Electric has developed its properties rapidly following the merger of 11 years ago. Most of the generating equipment is steam and less than 14 years old; three-quarters of capability is "re-heat" and very efficient, permitting the company to operate at lower costs than most of its neighbors in the Southeastern Electric Exchange group.

Construction outlays this year are estimated at $9.4 million compared with $8.8 million last year. In 1961 internal cash, bank loans and local sale of a small amount of common stock (8,333 shares) took care of construction needs. No permanent financing is planned for this year. Generating capability is 316,700 kw; the company produced all of its power requirements last year. The company's earnings and dividend record is indicated in the table below.

Revenues have shown very rapid growth—from less than $8 million in 1951 to nearly $23 million in 1961. Share earnings have not gained as rapidly, but increased from 70 cents in 1951 to $1.28 in 1961. Earnings gained steadily except in 1954 when there was a slight set-back, and in 1961 when earnings remained at the previous year's level of $1.28.

Outlook Views

The outlook for this year appears excellent. Electric output in May was 18% over last year, in June 21% and in July 36%, these gains being due in large part to excellent weather conditions compared with very bad conditions last year. Despite a sharp drop in the interest credit for construction (13 cents a share in 1961), President Hugh Coughlin has stated: "We feel confident we shall make our budget which is $1.38 per share." The dividend paid has increased each year since 1951 and some increase in the present $1 rate seems likely in the final quarter, according to Mr. Coughlin.

The outlook for continued growth appears excellent. Electric sales are expected to triple during the present decade. In the past the gain in earnings per share has been retarded by the very heavy construction program, but with capacity now about 75% above the 1961 peak load, reduced capital requirements in the next few years may permit a better showing with respect to earnings per share. Above average growth in population is anticipated in the area despite some slowing down of expansion in oil and gas. One area with considerable promise is Slidell, near the site of the Saturn Project. Further growth in industrial business is anticipated which might help establish a more stable load factor, since weather would not then be so important a factor.

Water resources are also important and the U. S. Geological Survey has stated: "Louisiana has available to it an abundance of water that is not equalled in any other state in the Union." New Orleans is the nation's second largest port, and Louisiana has two other expanding deepwater ports, as well as six major inland waterways projects.

Central Louisiana Electric has been selling recently around 29½ to yield 3.4%. The price-earnings ratio would be 23 based on last year's earnings per share or about 21 times this year's estimate.

Year	Revenue (Mill.)	Common Stock Record* Earned	Paid	Approximate Range
1961	$23	$1.28	$1.00	38 - 28
1960	22	1.28	.92½	29 - 21
1959	20	1.12	.90	26 - 21
1958	17	1.11	.83	26 - 20
1957	15	1.08	.80	19 - 14
1956	13	1.03	.73	17 - 15
1955	11	.92	.65	15 - 13
1954	10	.77	.58	13 - 11
1953	9	.79	.49	12 - 8
1952	8	.73	.43	9 - 7
1951	8	.70	.43	7 - 6

* Adjusted for splits and stock dividend.

Wyatt, Neal Adds

(Special to THE FINANCIAL CHRONICLE)

ATLANTA, Ga.—Laurence Richman has been added to the staff of Wyatt, Neal & Waggoner, First National Bank Building, members of the Philadelphia - Baltimore Stock Exchange.

A. G. Edwards Branch

GODFREY, Ill.—A. G. Edwards & Sons has opened a branch office at 3313 Morkel Drive under the management of Harry C. Sackett.

MUTUAL FUNDS

BY JOSEPH C. POTTER

A Short Story

Based on total net assets of over $19 billion, it figures that the average member fund among the 170 companies that belong to the Investment Company Institute has a portfolio worth of far in excess of $100 million. The Technical Fund, Inc., with total net assets of only $210,364 (as of June 30), scarcely shapes up in this kind of company. Still, this Boston-based fund is of interest for at least two reasons.

First, is the objective: seeking profits and capital appreciation through a combined program consisting of sales of put-and-call options, buying issues that are believed to be in an uptrend and recourse to short sales. The fund, as the company says, "is not intended for investors whose principal objective is dividend income."

The second reason is the company's experience in the recent market slide. As Robert Liberman, President of Technical Fund, tells it:

"At the end of 1961 our portfolio consisted mainly of securities on which only call options had been sold. As we were careful to state in the shareholders letter on page one of the 1961 annual report, our view of the market was already 'conservative and defensive.' For that reason no more than two put options were written during the latter months of 1961. For that reason, too, we did not feel we were surrendering much of value when, by selling call options, we turned our back, so to speak, upon the possible near-term appreciation that might occur with even a selected portfolio of unoptioned common stocks, and chose instead to take in the call premiums."

As the market weakened this year, the company was liquidating nearly all of its optioned securities in advance of the option expiration dates. The result: all options outstanding on June 30 (R. C. Williams excepted) were call options on stocks which the fund had earlier sold.

"But if credit must be given to any one factor for helping us look better than the market averages in the first half of 1962," says Bob Liberman, "the credit must go to the arbitrage, or convertible - hedge, transactions. To these the fund committed more than two-thirds of its assets well in advance of the Blue Monday of May 28, 1962."

Employing cash from sales of securities, the fund expanded into convertible preferreds and convertible bonds which, as Wall Streeters say, have a floor but no ceiling. And around mid-year Technical Fund did a considerable amount of short - covering. Short positions in Abitibi Power & Paper, Glenmore Distilleries, Phillips Petroleum, Thriftimart and Vulcan Materials were fully covered—and in each case profitably. Shirt positions in American Airlines, National Tea, Richfield Oil and Rohr Aircraft were trimmed by at least 50% — and again in each instance at lower levels than those at which they had been sold short.

"Also," says Liberman, "we would have been more pleased had we avoided any decline whatever in our per-share net asset value. But we did not."

Still, it was a rather impressive performance. On June 30 the figure stood at $7.30, compared with the $8.67 a year earlier and $8.84 on Dec. 31, 1961.

And now what? Says Liberman:

"Because of the fund's retention of the convertible and its elimination of most of the short sale segment of its arbitrages, the fund has acquired a more bullish stance than it has had in a long time. Our long positions, however, are represented for the most part by convertibles rather than common stock. This reflects our continuing inclination to provide the fund with downside protection whenever we can do so without materially impairing our participation in any general rise."

Obviously, as the fund says, it is not designed for every man. But it performs a distinctive service in a field which does offer something for every man.

The Funds Report

Total net assets of **Affiliated Fund, Inc.** were $701,584,610 at July 31, close of the first nine months of the fiscal year. This was equivalent to a net asset value of $7.12 per share. At Oct. 31, 1961, close of the last fiscal year, assets aggregated $804,149,201, or $8.83 a share. At July 31, 1961, assets were $756,382,744, or $8.45 a share.

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Delaware Fund has taken "a substantial common stock position" in Avnet Electronics, it is reported.

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Empire Fund, formed June 21 through exchange of securities by some 900 investors, held its first meeting of stockholders and announced share-owner approval of its existing advisory contract with Federated Research Corp., Pittsburgh.

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Income Fund of Boston reports that in the second quarter it reduced bank loans by $1,000,000 in order to reduce possible decline in net asset value of the shares in the event of falling markets. After this $1,000,000 payment, total assets were $43,740,374 on July 31, compared with $42,893,335 a year earlier. Net assets on July 31 were $38,595,284, compared with $38,503,464 a year earlier. Net asset value per share on July 31 was $7.28, against $8.25 on the same date in 1961.

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Combined net operating income of **Investors Diversified Services, Inc.** and its wholly-owned subsidiaries for the first six months of 1962 amounted to $8,867,000, or $6.10 per share, Grady Clark, President, announced in the semi-annual report. This compares with $8,471,-000, or $5.82 per share, for the corresponding six months of 1961. Net capital gains brought total income for the first half of 1962 to $6.14 per share.

Sales of mutual fund shares reached $213,572,000, the highest level for any semi-annual period on record. These sales were $45,-155,000 ahead of those recorded for the first half of 1961, when fund sales amounted to $168,417,-000.

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Shares of **Investors Group Canadian Fund** as of June 30 had a net value in U. S. dollars of $5.11, compared with $6.40 at the close of 1961 and $5.32 on Dec. 31, 1960.

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For the 12 months ended June 30, **Oppenheimer Fund** per share value decreased from $15.94 to $12.33. Total net assets on June 30, 1962, were $13,053,292, against $10,671,036 on June 30, 1961.

During the latest quarter Oppenheimer established new portfolio positions in Coastal Gas Producing and MCA. It eliminated American Telephone & Telegraph, Butler's Shoe, CBS, First Charter Financial, Grayson - Robinson Stores and Pet Milk.

* * *

Technical Fund reports that at June 30 total net assets were $210,364, equal to $7.30 per share. This compares with assets of $246,568, or $8.84 a share on Dec. 31, 1961, and assets of $156,870 and $8.67 a share on June 30, 1961.

During the first and second quarters of this year, the fund eliminated its entire holdings of common stocks, except for R. C. Williams Co., and increased holdings of convertible debentures. Against the long positions represented by the debentures, the fund sold short securities of Phillips Petroleum, Keystone Steel & Wire, Thriftimart, Rohr Aircraft Glenmore Distilleries, Kayser Roth, Scott Paper, National Tea and Richfield Oil.

Parker, Ford Names Barnett President

DALLAS, Texas — A. L. (Jack) Barnett has been elected President and Chief Executive Officer of Parker, Ford and Company, Inc., Vaughn Building. The announcement of Mr. Barnett's election and of the resignation of Charles R. Scott, former President and member of the board, was made by Leslie P. Lagoni, Board Chairman.

A. L. (Jack) Barnett

Mr. Lagoni also announced the election of Don A. Bucholz, Secretary - Comptroller of the firm, to the board of directors. Other members of the board of Parker, Foard and Company are C. Thomas May, Jr., H. Hoover Kadane and David A. Witts. All appointments become effective on the first of September, Mr. Lagoni stated.

Fla. Secs. Comm. Examination

TALLAHASSEE, Fla. — The Florida Securities Commission will commence its examination program on Oct. 1, 1962. An applicant for registration as a dealer or salesman who has not passed the New York Stock Exchange examination must take this examination.

In the case of a corporation, the officers, directors or partners who are actively engaged in the sale of securities in the State of Florida shall be required to pass the examination.

In the case of an issuer, the officers, directors or partners who are actively engaged in the sale of securities for such issuer in the State of Florida shall be required to pass the examination.

The examination will be given at the Commission's offices in Jacksonville, Palm Beach, Miami, St. Petersburg, Orlando and Tallahassee.

Whitman Secs. Branch

CHATTANOOGA, Tenn.—Whitman Securities Company has opened a branch office at 734 Georgia Avenue under the direction of John R. Berryman, Jr.

Keefe, Bruyette & Woods

The firm name of Keefe & Company, Inc., 1 Chase Manhattan Plaza, New York City, has been changed to Keefe, Bruyette & Woods, Inc.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The statements made by Chairman of the Federal Reserve Board Martin before Congressional committees appear to indicate that a sizable deficit in the Government budget will not be financed by easy money conditions. And there will have to be sales of Government obligations to the ultimate investor in the new money raising operations in order to prevent the inflationary forces from coming to the front again. Moreover, the testimony of other financial experts that higher interest rates is one of the ways in which the balance of payments problem can be lessened has not been exactly bullish as far as the money and capital markets are concerned.

In the interim period the money market or the short-term area is getting most of the interest as far as Government obligations are concerned since it seems as though stay short and the liquid is still the password.

Uncertainty

The concern and uncertainty in the money and capital markets continues to be with us because there are no answers yet possible as to whether or not business will continue to expand or turn down, whether the tax cut when it comes in 1963 will give the needed impetus to the economy or how the budget deficit will be financed. In addition it is very evident that the international balance of payments problem along with the position of the dollar as well as the future course of our gold holdings are all having an influence on what goes on in the money and capital markets. Also it appears as though nearly all of the testimony which has been given so far at hearings in Washington put forward the idea that the way in which we can improve our international balance of payments problem is by the use of firmer interest rates. Therefore, with most of the experts calling for higher interest rates in order to aid our balance of payments it is not surprising that there has been some rise in the level of yields on fixed income bearing obligations. As a result the desire and need for liquidity continues to grow and this is bringing in a heavy demand for short - term Treasury obligations. Because the Government is selling larger amounts of bills each week, they have been able to keep the yields on these issues from going down too much in spite of this enlarging demand which is around for the most liquid Treasury securities.

Deficit Size

There is no question but what the Government in the fiscal year 1962-63 will have a deficit in the budget. It is, however, the size of this deficit which concerns the country as a whole and the financial district in particular. It is evident that a deficit of between five and seven billions of dollars would most likely be financed in the usual fashion, mainly through the use of short-term and intermediate term obligations, and under about the same money and capital market conditions as have been prevailing. However, a budget deficit of say between 10 and 15 billions of dollars is not likely to be taken care of entirely through the use of the same instruments which had been employed in the deficit financing fo the 1961-62 fiscal period. As a matter of interest, it seems as though the thinking of not a few money and capital market experts at this time is along the lines that there will have to be new money raising through the sale of more long-term Government bonds if the deficit of the Treasury goes to very large figures because of a tax cut which would be used as a way to bring the economy out of a decline. This would mean that in order to get ultimate investors interested in short- or long-term Government bonds the rate would have to be attractive to them. It seems as though the money market should still remember the "magic 5s" which were used not too long ago by the Treasury in a very successful way. In that case, however, the due date of the new money raising obligations was within the five year range so that there was no limit on the coupon which the Treasury could use. If the Government were to sell real long-term bonds in size with a coupon rate that would be attractive to the ultimate investors there will most likely have to be an increase in the coupon rate ceiling now at 4¼% unless they were to be issued at some kind of a discount to give a yield that would be competitive with other capital market bonds. By selling Government securities to the ultimate investor there is no increase in deposits and purchasing power which means that the inflationary pressures are not being built up.

Strange Communistic Logic

"Should we give each peasant a small piece of land? No! Because after one little piece of land the peasant would want a larger one, his livestock would multiply and soon he would have not have just three, he would have 10, 20, 50 head of cattle.

"He would then be a large landowner, because all the fields would have to produce pasture for his private livestock. No, no to those measures that would make him abandon his great duties and his work. We will not resort to individualism that will foment selfishness, which foments differences among men. We will depend on collectivity."—Fidel Castro.

We have always doubted that breaking large land holdings into small pieces to be owned by individuals was the potent cure for the many ills for which has so often been prescribed, but, somehow, the objections here raised to it seem not to lie in the mouth of a communist. It seems to concede greater productiveness to private enterprise as an argument for communism.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

This is the fourth in a series describing a specific type of investor. Subjects of earlier articles were, I: "Young People Starting Out in Life," Aug. 9; II: "Retired Investors," Aug. 16; and III: "Women Investors," Aug. 23 issue.

IV

The Knowledgeable Investor

This is one of the most desirable accounts any salesman can acquire. Such an investor is a planner. He has a program of investing that fits his family and personal requirements. He is among that select group who have been investing for many years. This has provided him with a background regarding market fluctuations, values, the importance of diversification and the necessity of evaluating his investments periodically. He keeps informed on earnings trends pertaining to his individual securities and he is conversant with government policies, Federal finances, the bond market, business indicators; and he is a constant reader of business publications and investment literature. He may often be interested in acquiring "tax exempt" securities since his tax bracket is usually high. In fact, he more than likely knows the value of a "balanced" portfolio in preserving capital over the longer term. Remember, this investor has acquired his wealth, he is not averse to increasing it, but he will not be receptive to the salesman who approaches him with any promotional offerings that obviously are way off on cloud "number seven," and that should have never left there in the first place.

He Wants Facts

Since this investor is informed (primarily by his long experience as a buyer and seller of securities) he knows that it is impossible for any one man to know all there is to know about investing. He has made mistakes and he has also been right. That is why he will have an open door for the security salesman who can bring him information about securities that he owns, or that he may wish to investigate. He doesn't expect perfection but he does demand accurate information. This is why it is such a pleasure to handle his business—you can do your best for this man and if you can talk his language he will work with you. Here is a specific example; a salesman friend of mine told me the other day that he had an account that had accumulated too much stock in one of the best utility companies in the country. He went to this man and offered him five depressed but good quality stocks in other industries. These five stocks presented both an opportunity for capital appreciation and a better return than he was receiving. The investor figured out his long term capital gain on his utility stock and studied the suggestions for reinvestment. He sold half of his investment in the utility and kept the rest. He did so because his cost on that which he retained was very low and he did not think that the possibilities of recovering the 25% capital gain tax he would have to pay made it worthwhile. But he did lighten up on his utility holding, not particularly because he wanted to increase his capital or his income — but because he was an old fashioned, experienced investor, who said to himself, "That's just too many eggs in one basket."

The point of importance here is that the salesman who handled this piece of business knew that his client had the large utility holding, he had his entire list, he saw something that made sense and he selected some high quality replacements that had declined to a point in the recent market "sell off" and presented them intelligently. He used brief one and two page reports describing the "high-lights" of the stocks he placed before his client. They all were of excellent quality, and they provided additional diversification in industries where there was little or no representation in the list. Some thinking and planning went into this presentation—otherwise there would have been no agreement and the client would never have done business with the salesman in the first instance.

Be Alert

An experienced investor has met many investment men. It doesn't take him very long to size up a security salesman. If you can answer questions without giving the impression that you are "showing off" your supposed ability and knowledge you will usually find that you will obtain an interested audience. A good memory helps, and of course, years of experience adds to this storehouse of reminiscences that are always welcome material for investment conversation. But even younger men who have only a few years of experience in the business can be welcome visitors to this type of investor if they have applied themselves to their business, and they are sincere and honest in their approach.

In this connection, I remember, when I was quite young and I had been in the business only a few years I met a man who had great wealth, a large investment portfolio, a lifetime of experience, and also was a retired former member of the New York Stock Exchange. I called at his office after I obtained two reports on a company that was engaged in the specialty paper business. I studied this company's record very thoroughly. Fortunately my source of information was reliable and not generally available. New products were soon to be placed on the market, chemical by-products were going into production. I became convinced that the stock was attractive and I think I was so sold on it that I must have made a favorable impression. He asked me to wait a few days while he did some checking on his own. Two days later he telephoned me to call to see him. He took me to lunch and he told me he thought I had something worthwhile. The stock was traded over-the-counter and it had a thin market. He explained to me that he was not interested in buying small lots of any security. The supervision problem was to burdensome. Within several weeks I bought him 4,000 shares of that paper stock. This was the beginning of a friendship that lasted for many years. I often went to him for advice. He taught me to look for such facts as a company's banking connections, who were the directors, what other connections did they have, and to double check all hearsay information regardless of its source. Even though I was young and inexperienced this kindly man gave me a chance to do business with him. What I offered him happened to have merit. I was fortunate that I had a source that provided me with some information not available to the general public. It proved to be one of the finest long term growth stocks in the country and was finally taken over by another concern at a price well over 1,000% above what it cost my friend back in 1936. His estate still exists and I am sure his grandchildren can thank their grandfather for their wealth. As an expert investor he was one of the best, but his door was never closed to anyone who could bring him a worthwhile idea.

Don't Sell Yourself Short

Some salesmen are afraid to contact the large investor but this is a mistake. The experienced investor as I have tried to emphasize is looking for ideas. That is why he has an open mind. He has reached many decisions in his career that were the direct result of motivations obtained from friends, contacts, and investment firms. But he has also done his own checking. He is too knowledgeable to follow tips, or half-baked suggestions. Unfortunately there are many investment men who do not know their business as well as they should know it. This is unfortunate, but it gives the man who wishes to become outstanding in his profession an opportunity to open accounts that can stay with him for years. Investment clients who have substantial wealth are not interested in making a few points on a market move, or becoming involved in short term trading. They have two sources of investment; excess income from their investments and the re-investment of securities they no longer believe they should retain in their portfolio.

If you are a beginner you might try to learn about one or two special situations (as I did when I sold the paper stock). But always continue increasing your storehouse of knowledge. Read and study every day. Eventually you will acquire a knowledge of investments that is broad and comprehensive. You naturally cannot know about every stock and bond in the country, you won't be able to have all the facts at your finger-tips about the earnings of hundreds of companies, but you will know what to look for in an investment. You will develop a feel for securities that is based upon the constant flow of information that you are absorbing day by day. I have never met a successful investment man who was not ready to listen, to learn more, and to admit that there was so much he did not know. This is one of the most humbling businesses in the world and the more successful you are the more you try to learn. Never be ashamed to say, "How's that? What did you say? Would you mind telling me more about this?" The man who has a large portfolio of investments and who knows his securities will also ask YOU these questions. If you want his business be sure you have the facts, that you are willing to get them for him if you don't have them available, and also that when you present them they have been obtained from the most reliable source you can find.

With W. D. Gradison

(Special to THE FINANCIAL CHRONICLE)

CINCINNATI, Ohio—Martin A. Sewell has become connected with W. D. Gradison & Co., Dixie Terminal Building, members of the New York and Cincinnati Stock Exchanges. He was previously with Bache & Co.

Graham & King Branch

JACKSONVILLE, Fla. — Graham & King, Inc. has opened a branch office at 223 West Adams Street under the direction of Norman Hofheimer.

HIP Investors Branch

YORKTOWN HEIGHTS, N. Y.—HIP Investors Incorporated have opened a branch office at 2132 Gomer Street under the management of Charles Heckert.

As We See It

Continued from page 1

lies, more or less, of the Democratic party, particularly the more, so-called, liberal elements in it. The developing situation is, therefore, not without its unusual if not unique elements. But to the thoughtful observer with the good of his country really at heart, all this is of secondary importance. What he would like to see is a situation in which the rank and file of the people are given the choice between the creeping socialism—if it is creeping—of the New Deal, the Fair Deal and related programs and those much more in accord with American traditions—a choice made after both sides have been presented frankly, intelligently and forcefully. Of this there appears at the moment to be practically no real likelihood.

The reason is that those who would make drastic changes, in all that is American, have attracted followers with real gifts for coining cliches and dressing up invalid arguments in support of Keynesian ideas. They have so woven their plans with special *ad hominem* pleas that the rank and file are much inclined to follow them, while the many — and we are convinced that there are many — who would normally oppose such procedures have either been converted or half converted by one means or another to programs that are but little better than those of the New Deal and Fair Deal and the New Frontier, or else have been largely silenced by the popular sweep of these unfortunate programs.

It Need Not Be!

Now this is a situation which in our view need not be. We certainly have not yet had any clear demonstration that the field need be left to the enemy as it were — and that despite repeated political successes of New Deal, Fair Deal and New Frontier programs and the like. We have not yet had a national election in which these professional reformers were aligned squarely against ardent followers of American traditions who had been able to procure the services of real leaders. New Deal, Fair Deal and New Frontier spokesmen have not found themselves opposed by men and women willing to cast all this nonsense aside and return to our long sustained policies. Rather the opposition, while vociferous enough in condemning creeping socialism, has usually been supporters of substitute programs which had only the advantage of being a little less radical and perhaps a little more in touch with practical commonsense but which nonetheless retained all the basic elements of the programs of their opponents.

There is little reason to doubt that the campaigns of this autumn will be of the same sort. There are many who oppose the Administration program for medical care financed through the social security system, but who nonetheless would inaugurate or have already inaugurated programs which undertake about the same tasks and have faults which are almost as serious as those of the Kennedy plan. There are those who doubt whether the Administration will be able to "hold the line" against the politically powerful labor unions, but where is the leader who is willing to tell the public in straight flung words and few that we shall always have serious labor problems on our hands so long as labor organizations enjoy exemption from the anti-trust laws that no one else has.

They Oppose, But . . .

Many are doubtful about the wisdom of the plans of the Administration for dealing with the Agricultural situation — as do we ourselves — but who is willing to propose the only real remedy, that of getting the government wholly out of the field of agricultural subsidization and control? The President has asked for further housing legislation. We do not think his ideas on the subject are sound. But those who now oppose the Administration plans have already spent billions of taxpayers dollars in subsidizing housing in one way or another and there are few, if any, who even today would suggest that the Federal Government get out of this housing business and stay out of it. Many doubt the wisdom of the Kennedy tax program but how many political leaders are ready seriously to propose changes that would leave income tax rates far less cripplingly progressive? And, so it would be in a long list of other programs and policies now sponsored by the Kennedy Administration.

Now, let us not blame our stars rather than ourselves that we are in such a plight. We put ourselves in it and could at any moment that we really set our minds on it begin our escape from it. Whether we make a start this autumn is really and definitely up to us all. The latest statistics that have come to hand appear to suggest that we shall do well in business at least for some months to come—until the election campaigns are over and gone. Unfortunately, this is not the sort of atmosphere in which it is easy to arouse the people to any sort of vigorous action. It will handicap the President in his efforts to gain popular support for radical programs, but it will also handicap those who would make headway in real improvement of the economic climate.

Extent Payments Balance Hinders the Economy

Continued from page 1

cline below 5.5% of the labor force, whereas it had reached a 5% rate by mid-1959. Existing industrial plant capacity, however, was utilized in the first half of this year at a rate little different from the first half of 1959, when capacity utilization averaged 85%. In earlier expansionary periods capacity use at the same stage had been somewhat higher.

The rate of expansion in business spending for plant and equipment and for inventories, which was fairly rapid in 1961, slowed in early 1962. Plant and equipment spending picked up in the second quarter, but inventory investment dropped sharply after the steel settlement. Thus a part of the recent weakness in the economy is explained by the impact of some build-up of inventories in anticipation of a possible steel strike and a use of these stocks when it became apparent that there would be no strike. Meanwhile, residential building activity and consumer outlays for durable goods declined early in the year and rose in the spring although to levels only somewhat above late 1961.

A slowing of growth in Federal Government spending has also contributed to the very moderate expansion of activity in recent months. Federal purchases of goods and services showed only a small further rise in the second quarter and new commitments for defense spending have been declining. Meanwhile state and local government outlays have continued the steady growth characteristic of the postwar period.

In the meantime, average prices for goods and services have not generally risen. Periods of cyclical expansion have typically been accompanied by a tendency for average prices to rise. But since early 1958 average wholesale prices have been quite stable. Moreover, cyclically sensitive prices of industrial materials have shown little or no tendency to rise for the past year, whereas in the past they have risen in expansionary periods and declined during contractions. The rise in these sensitive prices has in the past provided an impetus to expansion of profits and an incentive to business spending.

The current situation, therefore, is notable for the absence so far of upward price pressures. So far as average prices are concerned, this is explained in part by the level of unutilized resources and by a number of comparatively noninflationary wage settlements. So far as sensitive industrial prices are concerned, it may be explained more by moderate demand for basic materials relative to the domestic and worldwide capacity to provide them.

All in all, then, in the first half of 1962, spending, particularly for durable goods and inventories, slowed down. In relation to their incomes, both consumers and businesses spent less for final goods and services in the first half of 1962 than they had after a comparable period of time in the upswing following the cyclical trough of early 1958. With consumer spending not very high relative to income and with the internal flow of business funds from retained earnings and depreciation larger than capital outlays, there have not been heavy demand pressures on credit markets and the supply of funds to markets has remained fairly large.

What can be said about the basic cause of this slowdown? Does it reflect fundamental shifts in the structure of the economy, or is it the same kind of cyclical phenomenon we have often experienced in the past? It is too early, of course, to speak with any confidence on such matters. But let me point to a few relevant considerations.

In the past year or more, the public seems to have been quite willing to save. This could be the result of many influences, including diminished inflationary expectations. Saving is the source of funds to finance investment demand of business and consumers, but if investment demand is lagging, then the saving acts as a brake on economic growth.

It now appears that as the post-World War II experience recedes further into the past, we can count less and less on the willingness of the American consumer to go heavily into debt in order to acquire durable goods. Needs are less urgent and tastes are turning more toward services and types of expenditures less likely to be financed by borrowing.

At the same time, we find that the Federal budget moves rapidly, sometimes too rapidly, from deficit toward surplus in economic recovery. At such times enlarged government saving supplements private saving. This places a heavy burden on rising investment outlays by business and consumers to maintain the momentum of economic expansion. To deal with structural problems such as these, monetary policy needs to be complemented by other governmental economic action.

Balance of Payments

Before discussing credit and monetary developments related to the recent slowdown in the rate of growth in economic activity, I would like, first, to touch briefly on the balance of payments situation. For several years now, foreign countries have been adding to gold and dollar holdings because they have been running a surplus in their balacne of payments with the United States. Our trade balance has generally been favorable, but this has often been offset by aid and military expenditures abroad, by other current account payments for services, and by long-term capital outflows, in large part representing direct investments in overseas branches and subsidiaries. Taking all these elements together, then, we can see that what may be called our basic balance has been generally unfavorable in recent years.

In 1960 and 1961, this situation was intensified by large short-term capital outflows from this country, partly because interest rates were high abroad and relatively low here, partly because of the demand for bank credit by certain foreign borrowers, and partly at times because of speculative activity in exchange markets. Such outflows have been less of a problem so far in 1962, however.

The balance of payments position has influenced credit market developments because monetary and fiscal authorities have attempted to minimize incentives for capital to flow abroad, particularly highly volatile liquid funds. It has had an influence primarily on short-term interest rates and, to some degree, on the availability of credit at commercial banks. Thus, financial market developments have been influenced not only by trends in domestic economic activity but also by balance of payments developments and by the reaction of policy authorities to such developments.

Supply of Funds to Markets

The continued high level of saving by consumers and business, which I touched upon earlier, has been accompanied by a shift in the supply of funds more toward the long end of the credit market. The supply of funds channeled to this sector of the market by commercial banks and nonbank financial institutions expanded during the first six months of 1962. This was partly a result of shifts in the structure of institutional liabilities, especially in the first quarter of the year, when the public channeled unusually large amounts of funds into time and savings deposits at commercial banks. I would first like to sketch some of these changes that occurred in supply conditions before discussing how they, together with changes in demand, became reflected in variations during the past several months in the cost of credit—that is, in interest rates.

Bank reserve positions. Reserves available to banks provide a basis for bank credit expansion and, therefore, an important influence on the supply of funds in markets. The reserve position of banks has continued to be comparatively favorable so far in 1962, although growth in their total reserves has been slower than last year. Member bank borrowings from Federal Reserve Banks have generally continued to be minimal. And free reserves of banks—that is, excess reserves less borrowings—have varied between $350 and $550 million for the past six months. In earlier expansionary periods, such as 1958-59, banks had already increased their borrowings markedly by this point, and they had shifted to a net borrowed reserve position. The maintenance of a free reserve position for so long a period is primarily the result of moderate bank loan demand, and the consequent willingness of the Federal Reserve to supply reserves in step with total bank deposit expansion.

Excess reserves are held mainly by country banks and in the past decade have varied within fairly narrow range. In late 1960, banks were permitted to count all their vault cash as part of required reserves. For a few months around that time, excess reserves were above normal levels, but they soon returned to around earlier levels as bankers became accustomed to the new regulation and adapted their investment policies to take it into account.

Borrowings at Federal Reserve Banks are the volatile element affecting free reserves, and city banks are the most active borrowers. Their borrowings are influenced by the vigor of loan demands and the relative level of the discount rate. The discount rate is ordinarily kept in fairly close alignment with related market rates, but for the past two years or so it has remained unchanged at the 3% level to which it had been reduced in the summer of 1960 and has been consistently above market rates. At the same time private loan demand has been moderate. Thus, banks have had little incentive to borrow at Federal Reserve Banks even at the present stage of the business upturn.

For most of the past two years, banks have been able to obtain temporary reserve funds, when needed, at rates generally below the discount rate by borrowing excess balances of other banks in what is called the Federal funds market, a market that has become increasingly more active in the past three years.

Money supply, bank deposits, and related assets. In the past year and a half, an unusually large proportion of funds flowing into commercial banks from the public took the form of time and savings deposits. Such deposits expanded by 13% in 1961, quite a high rate. In the first quarter of 1962 the annual rate of increase accelerated to 25%, but it has since returned to the 1961 rate.

Given the amount of reserves made available to banks by the monetary authorities, the large increases in time and savings deposits adversely influenced the growth in money supply—that is, currency and demand deposits held by the public. In the first three months of 1962, money supply declined slightly from its year-end level. Partly there were switches directly from demand to time accounts. And partly there were switches from market instruments and other assets to time deposits.

From the statistical evidence it does not appear that much of the rise in time and savings deposits in 1962 represented funds diverted from other savings institutions. Net inflows of funds to mutual savings banks rose in the first quarter of 1962, after allowance for seasonal variation, and remained above their 1961 pace of increase in the second quarter. Net inflows to savings and loan associations in the first quarter were about the same as their high fourth quarter of 1961 rate, but these inflows fell off in the second quarter, paralleling reduced inflows to commercial banks. But some of the expansion in bank credit appears have represented a diversion of savings from direct purchases of market instruments, or to a small extent from flows that might otherwise have gone to other nonbank financial institutions, and has, therefore, not represented a net increase in total credit.

Money supply in the hands of the public is about at the average level reached in December, 1961. Contributing to the sluggishness of money supply was the large build-up in U. S. Government deposits until early July, when they were run down to some extent. Though, in fact, Government deposits were rising the Treasury continued security offerings, including a large amount of bills, in anticipation of a rise in Government spending relative to current tax receipts. Most of these short-term issues may well have been purchased by the nonbank public, who in some degree may have reduced idle cash holdings to do so or who may have used cash that might otherwise have financed spending. The public has in effect substituted short-term U. S. Government securities for cash, and they can hold these securities at interest rates that are attractive in periods of economic uncertainty.

Turnover of money. While the money supply has shown little increase, it has been used more intensively to finance the economy's spending, but not intensively enough to accommodate the higher level of spending hoped for. The turnover of demand deposits outside of New York — in New York turnover is more heavily influenced by financial transactions — was higher in the first half of 1962 than in the second half of 1961. A large part of the increase occurred early in the year, and was possibly related to the sharp initial movement of funds into time and savings deposits. But turnover did rise further in the second quarter, when inflows to time and savings accounts slowed down.

Turnover has generally risen throughout the postwar period from low levels reached during the 1930s depression and the war years, when the public was keeping itself in a highly liquid state — in one period voluntarily and the other involuntarily. But it has also shown cyclical variations. After adjusting for seasonal variation and for the general trend, deposit turnover has generally declined in recessions and risen in expansions. In New York, however, turnover has often risen in recession and declined in expansion. During the last recession, turnover in centers outside New York did not show as much cyclical decline as in the 1957-58 recession, possibly because of greater public preference for other assets. It is significant that short-term interest rates declined less in the last recession than in 1957-58.

Whether or not cyclically rising turnover can substitute for growth in the money supply is an important question. Many analysts have contended that turnover has a ceiling and much discussion focuses on whether or not it has been reached or approached. If it were reached, lack of money supply growth would mean lack of economic growth, for at that point the public would be unwilling to economize further on the use of cash balances in order to increase spending.

The trouble with this approach is that it looks only at the observed rate of turnover but fails to measure the strain imposed on the economy by the very act of increasing turnover. At any given time the economy can adapt to a smaller relative money supply and this will show up as increased velocity. The important question is, does the adaptation involve less spending than would otherwise have occurred. One example would be that the inducement to economize cash balances is a high level of short-term interest rates, so high as to place a floor under long-term rates, which in turn inhibits borrowing to finance capital outlays.

Bank credit. With the rapid expansion of time and savings deposits total commercial bank credit outstanding has grown fairly rapidly so far in 1962, although there were slack periods in the early spring and early summer. Of total funds raised in credit markets, almost one-third were advanced by the commercial banking system in 1961 and also the first half of 1962. This was a larger proportion than in four preceding years, except for 1958 — years when the supply of reserve funds was under more restraint.

In managing their loan and investment portfolios, banks this year invested heavily in tax-exempt state and local government issues and also became more interested in longer-term loans such as mortgages. During the recession and early in the recovery, they invested heavily in U. S. Government securities, particularly short-term issues. Since mid-1961, however, U. S. Government security holdings have not increased very much.

So far in 1962, banks have put more emphasis on longer-term than on short-term U. S. Government securities. They have reduced their holdings of Treasury bills, and have added to holdings of longer term Treasury issues, in part by participating in new financings. Holdings of all U. S. Government securities maturing within a year increased slightly, however, during the first half of 1962, because of the effect that passage of time has on securities remaining in bank portfolios.

These changes in bank investment behavior have several causes. Incentive to invest heavily in the longer term sectors of the market was provided by the large increase in time and savings deposits that occurred after the first of the year, when maximum permissible interest rates were raised on those deposits. At this point, banks began more actively to seek higher earning assets at some sacrifice perhaps in already high liquidity. Banks had built up their liquidity to rather high levels by mid-1961, through adding to short-term U. S. Government securities at the comparatively favorable short-term rates that prevailed for a period of recession and early recovery. Thus, they were not necessarily eager to add further to liquidity. With loan demand remaining moderate, they sought other relatively high - yielding investments.

Stock market: In supplying funds to markets, investors were influenced in part by an abatement of inflationary expectations, which increased their willingness to make funds available in fixed-value form. There was a shift away from equities as a preferred form of asset holding, particularly at prices and yields that existed earlier in the year, and this culminated in the sharp break in stock prices during spring. The decline in prices seems to have represented in part investors reassessment of stock prices in relation to earnings — in the light of diminished inflationary expectations and of a slowdown in the rate of economic expansion. The reassessment brought stock yields closer to interest rates on bonds, though still below them as they have been since mid-1959.

Funds Raised in Credit and Equity Markets

The total funds raised through government and private security issues and bank and other loans, after allowing for repayments, reached a peak toward the end of last year, and has been lower, seasonally adjusted, in the past six months. But the amount of financing is still above earlier experience, except for late 1958 and 1959.

The decline has been the result mainly of lowered demands from private sectors of the economy. Federal Government financing has continued to be larger than usual for the first half of a year, with offerings in all maturity sectors. There were continued Treasury bill offerings throughout the first half of 1962, but in addition there were offerings in longer term sectors through both cash and refunding operations.

In private sectors, including state and local governments, long-term financing in the first half of 1962 has remained fairly substantial, lower than levels prevailing in the last three quarters of 1961, but above late 1958 and 1959. Demands have been sustained by continued sizable issues of corporate and state and local government securities and growth in mortgage financing. Short - term demands by private sectors have, meanwhile, fluctuated fairly widely, rising in the second half of 1961, and falling in the first half of this year, when business and other loan demands from banks, particularly loans for purchasing or carrying securities, became less active.

Interests Rates

During the first half of 1962, short - term interest rates have been higher than in 1961, but long-term rates after receding earlier in the year rose about mid-year. The movement of interest rates in the first half of the year was strongly influenced by the public's preferences for time and savings deposits, coupled with commercial banks' investment policies. In addition, short - term rates were influenced by monetary and debt management policies designed to minimize balance of payments strains.

Yields on longer term U. S. Government, corporate, and most spectacularly state and local government issues, declined through mid-spring and then rose. They have not yet reached earlier highs, however. Mortgage yields have continued to drift downwards.

The easing of conditions in long-term sectors of the market earlier in the year reflected for the most part the increased availability of funds that was sparked by the public's response to the change in Regulation Q affecting time deposit interest rates; in addition, there were continued heavy inflows to savings and loan associations and mutual savings banks. The early summer rise in rates was accompanied by a slowing down in the inflow of time and savings deposits to commercial banks and of funds to nonbank savings institutions. In addition, the reserve base of banks has grown more slowly in recent months.

Short - term rates, particularly the market yield on three-month Treasury bills, have fluctuated within a range of 2⅝ to 3% since the first of the year, after fluctuating between 2¼ and 2⅝% last year. Most recently, they have been in the upper part of the range. Commercial bank investments in longer term assets have been a contributory factor to maintenance of the short - term rate at this level in a period of reduced demands for short-term credit. In going long, banks have reduced Treasury bill holdings, as I have already mentioned, either through sales or by letting them run off. This has added to upward pressures on the bill rate. Thus, one effect of the liberalization of Regulation Q at the beginning of this year was to add to downward pressures in the long-term sectors of the market, which reduced the cost of financing housing and business plant and equipment, and to upward pressures in the short-term sectors.

Bank portfolio choices were not the only factors impinging on short-term rates, of course. To help the balance of payments situation, the Treasury offset downward pressures on the bill rate by increasing its offerings of short-term issues. Federal Reserve open market operations also served at times to moderate downward pressures on short-term rates. These actions served to minimize incentives for short-term capital to flow abroad. But they may also have had the effect of keeping long rates from declining more and, hence, domestic spending from rising more, mainly because short-term rates made liquidity too attractive in this period of uncertainty.

Concluding Comments

The economy's performance in the first half of the year has been below the expectation of most and the hopes of all, but we should nevertheless view it with a confidence that is commensurate with the resilience and strength shown in this period. The stock market reappraisal, the shift in fiscal operations, the inventory adjustment growing out of the steel settlement have each probably had significant dampening effects on the real economy.

The banking system appears to have responded to the actions of the Federal Reserve about as one would expect. Bank liquidity changed little in 1962. The level of excess reserves at the country banks averaged $500 million in the last half of 1961 and $440 million in the first half of 1962—about the same as in the past five years. The reserve city banks kept their own positions in close balance but were reluctant to go into debt at the 3% discount rate, given the apparent demand for loans and prevailing yields on investments. In this situation, without evident strong demand for bank loans from the economy, expansion in money supply came to a halt before the beginning of this year. In their capacity as savings institutions banks extended credit commensurate with the increase in their time and savings deposits.

The public's response has been more enigmatic. We do know that with the rising level of GNP, the intensity with which the money supply has been used continued to rise secularly and also cyclically. High yielding liquid assets gained in appeal — the idea of earning 4% on funds that were as good as cash and the promotion of this idea by financial intermediaries in a competitive struggle undoubtedly was a restraint of some kind on spending.

Looking at the figures, the total of liquid assets in the hands of the nonbank public has been rising faster than Gross National Product in the first half of the year. In expansionary periods the ratio of liquid assets to Gross National Product usually declines, as it did during most of 1961. So far as credit flows are concerned, total credit flows in the first half of 1962 were lower in relation to Gross National Product than they were in the first half of 1959, about the same stage of the earlier cycle. Similarly, private borrowing is lower in relation to expenditures, other than those by the Federal Government, for goods and services, than was the case in the earlier period.

We come down to the basic question of the past six months, could monetary policy have made a greater contribution to our over-all economic well being? The slower expansion thus far in 1962 suggests that a more aggressive monetary policy involving greater credit availability might have led to a fuller utilization of resources. The concern with the level of short-term rates has been a key factor in inhibiting policy. Against the possibility of more rapid economic growth we have had to balance the risk that reduced interest rates and greater liquidity might have worsened our balance of payments further.

*An address by Mr. Mitchell at the Graduate School of Banking, University of Wisconsin, Madison, Wisconsin, Aug. 23, 1962.

Chas. Livingstone Joins Paul Aschkar

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Charles R. Livingstone has become associated with Paul H. Aschkar &

C. R. Livingstone

Co., 639 South Spring Street. Mr. Livingstone was formerly Executive Vice-President of Marache & Co. and prior thereto with Crowell, Weedon & Co.

Harris, Upham Adds

(Special to THE FINANCIAL CHRONICLE)

STOCKTON, Calif. — Robert L. Keagy has been added to the staff of Harris, Upham & Co., 340 East Weber Avenue. He was previously with Reynolds & Co.

Joins Reynolds Staff

(Special to THE FINANCIAL CHRONICLE)

MINNEAPOLIS, Minn.—Michael A. Sackman has joined the staff of Reynolds & Co., 629 Second Avenue, South. He was formerly with Dempsey-Tegeler & Co., Inc. in San Diego.

SEFCO Distributors

TOPEKA, Kansas — SEFCO Distributors Inc. is engaging in a securities business from offices at 700 Harrison Street. Robert E. Jacoby is a principal of the firm.

No Reason To Panic Over the Common Market

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tance. Our future economic relations with the European Common Market whether it consists of six nations, or fourteen, or more nations, must be viewed in the light of more fundamental factors and even then any attempt to estimate possible declines or advances in trade with such a newly organized region can hardly have more than a 50-50 chance of success. Consider just one concrete instance.

France produces a surplus of wheat but insufficient to provide for the total needs of the other nations in the Common Market. Will the latter nations take all of France's surplus and diminish by that amount their normal imports from the United States, Argentina and elsewhere? Perhaps their behavior will not change at all because the variety of wheat may not satisfy all of their requirements. Even if the variety and quality are satisfactory they might feel constrained to buy from nations outside the Common Market in order to export finished goods of their own. These are imponderables upon which only an infallible soothsayer can shed light at the moment.

Italy looks forward to a substantial rise in its standard of living based upon the progress it has been making since 1950. It contemplates an increase in production which will not only play a role in its new standards but will supply the resultant greater domestic demand for goods. But Italy does not produce enough food for itself, importing no small amount from the United States. Will its economic domestic progress affect these food imports? Can the nation produce a sufficient amount of manufactured goods to supply the presumed increased domestic demand and leave enough surplus for export with which to continue its food imports from the United States? If there be no change in our own tariff rates will this interfere in any way with our exchanges with Italy? Is Italy likely to turn elsewhere to satisfy its requirements? Obviously there is no answer to these questions aside from dangerous speculation, some of which would indicate that in this instance a lowering of tariffs would not be likely to cause any material change in our relations.

Inescapable Fundamentals

Before any conclusions are drawn based upon purely economic and political criteria it seems only logical that we should face up to certain fundamentals, to circumstances not of a speculative nature. An inventory of the natural physical elements of the area occupied by the members of the Common Market would reveal no change from that prior to the launching of the organization. The climate, topography, soils, and mineral deposits are just the same. Their distribution remains the same except in terms of the political set-up. In other words, they occur within an economic unit area made up of the sum-total of the areas of six political entities. Population density is not likely to be altered except as slight changes may occur with time. Agricultural, mineral and manufactural production could change in quantity if the combined efforts of the people contribute to improved methods involving more extensive employment of machinery and mass production methods. Labor may flow more freely among the nations, as well as capital. As for changes in population numbers, those who have held that industrialization reduces the birth-rate must revise this point of view in the light of the increased birth-rate in the United States during the course of the past few decades.

It is doubtful that tariffs will cause a significant re-orientation of trade channels inasmuch as the needs and desires of the people are likely to remain constant. The trade pattern probably will be altered only in terms of the quantity of goods involved. There seems little reason to assume that the latter will grow to such proportions within the six-state organization as to make our trade prospect gloomy. This statement, of course, is speculative and can be verified only with time.

The Theory and the Facts as to When Tariffs Are Justified

Economists have generally held that tariffs are justifiable under one of three conditions, namely,

(1) for the protection of infant industries until such time as they reach maturity, that is, the time when they can hold their own in meeting foreign competition;

(2) for the protection of these industries considered indispensable to the military establishment;

(3) for the sole purpose of yielding revenues, to be levied more particularly upon luxuries or other non-essentials.

This triad of purposes, unfortunately, has never worked out as originally designed. In fact, not only have tariffs been preserved in many instances, when they should not have been, but they have been attached to many categories not represented here. In consequence, the lowering of tariffs or their entire removal could threaten the survival of some industries. For this reason the President has suggested the need for the government in certain instances to underwrite temporarily those firms that might run up distress signals. In those rare cases in which a business might be forced to close its doors an indemnity might well be arranged. It would always be understood that these latter actions would be warranted only if it were evident that particular firms were being sacrificed for the benefit of the nation as a whole.

In association with the question of the effect of the EEC upon our trade we often hear repeated the myth that industrialization always contributes to increased trade potentials. We say "myth" because the facts do not bear out the claim. The statement has meaning in those instances in which a region at first is a raw material producer and then evolves into a manufacturer. When, however, it attains the manufacturing stage as have we and the nations of northwestern Europe, the basis for exchanges in the long run begins to vanish, because the regions then produce not only similar but identical types of commodities. The reason for subsequent trade between two such areas would then be found in the differences in quality, or style, or even, on occasion, in short supply of certain goods. But these aspects do not take on such proportions as to lead to a continuously increasing trade. When it is argued that the constant rise in European standards of living gives rise to increased per capita purchasing power and hence to trade potentials, those who make the statement forget that when the standards become essentially the same in any two regions yielding similar products, exchanges become fewer.

A Not Too Happy Forecast of Trade

East-West trade has been the rule during the course of the past century and a half because Europeans have been busy occupying various regions. Pioneers have little time to manufacture goods. They buy them from the home country paying with raw materials. As settlement becomes stabilized industrial development follows. Where the natural conditions are similar and the order of intelligence of the peoples essentially alike, similar kinds of items are produced, greatly reducing the bases for trading. Trade then begins to shift from regions of like production to those which are unlike. So it is that our trade, in the long run, will shift from east-west channels to north-south.

Although we have asserted that statistical data can be confusing, the data related to our trade with low latitude nations are simple to interpret and involve no complications. They show (Table II) with few exceptions, an increase in trade for 1960 over 1950. Inasmuch as the commodities represented consist of the kinds which are not likely to change in the near future, it would appear that this trade has a degree of permanence. Even so, as inventive genius asserts itself the importation of some commodities may be displaced by synthetics at home. Equally possible, not to say likely, is the advent of increased manufacturing in low latitude areas as air conditioning and improved medical facilities make the working environment of employees more comfortable and conducive to increased efficiency. When this balance in production and consumption occurs, international trade not only will be much less than today but will flow largely between regions of specialization, that is, between those regions which are best qualified to produce certain types of goods.

This forecast of the ultimate pattern of trade, even if displeasing, is a reflection of the realities of the economy of peoples in inhabiting an evolving earth, particularly an earth whose size is steadily reduced by improved communications. For the small business organization the situation need not be alarming; but for the corporation whose existence is measured in terms of "99" years, these long range trade trends must be taken seriously.

The average businessman is under the impression that he trades for monetary profit. In a narrow sense this is true. But fundamentally he acts merely as an agent for an indefinite number of persons who have needs and desires which they wish to satisfy. We export in order to pay for imports. Obviously, this is the viewpoint of nations even though it may not be that of individuals. It should, however, help the latter to see variations in international trade in proper perspective and to judge economic events with appropriate objectivity.

No Reason to Fear the ECM

If we bring to bear the business intelligence we possess there is no reason to fear the formation of a Common Market by any group of nations. None of them is likely to be self-sufficient measured in terms of the standards of living of most modern nations. Only a union of all nations of the earth could provide self-sufficiency. As long as a number of common markets exist there will be trade among them. But these new types of units will require adjustments, sometimes uncomfortable, by everyone just as have changes in the past. Although losses in some channels are conceivable, these, it may be expected, will be offset by gains elsewhere. So far as concerns the international trade of the nation as a whole, the immediate future presents no cataclysmic prospect. We assume that the sales abilities in which American businessmen have prided themselves will enable them to face up successfully to the keenest of competition and to make such adjustments as new circumstances may demand. This does not mean, however, either the United States or other nations can expect to record annual increases in trade for all time to come.

As for the Common Market leading to political union, there is no basis whatever, unless by political union is meant a very loose federation focused upon joint economic activities and not upon the surrender of national sovereignty. Anyone who has lived among the peoples of the various nations and discussed the matter of sovereignty with them, or who has observed their nationalistic spirit can hardly conceive of their surrendering voluntarily, any part of their political sovereignty. We should note General De Gaulle's recent utterance to the effect that France shall be no one's satellite. Those who press the point that the Common Market will lead ultimately to a United States of Europe may be propagandizing a bit in the hope of frightening the American public into support of some of the newly proposed governmental powers. To be sure, if the current Common Market succeeds, probably most of the other nations in Europe not now members will join, and conceivably in the long run, even the U.S.S.R., which economically speaking complements western Europe. This however, is not likely to occur in the immediate future, nor lead to a single political entity.

Offers Admonition About Investing Abroad

The rise of the Common Market, as everyone knows, has caused American manufacturers to seek ways and means to establish themselves within the region involved. These well-intentioned firms need to observe one bit of caution. Owing to the instability of foreign governments, and in the light of abundant experience, they would do well to invest abroad only if they can afford to lose their investment. This admonition does not imply that they will lose their money. In fact, it is conceivable that their investments may have been held long enough before any catastrophe occurs to yield sufficient returns to cancel out an ultimate loss occasioned by dispossession. The point we make is that a danger lurks here over which the investor has no control and that this should be recognized.

The European Economic Community should be viewed as just another humanistic phenomenon, taken in stride, and the same acumen applied to the problems it presents, as has heretofore been applied to other problems in the course of our nation's economic progress. Let there be no panic!

TABLE II

	Exports to the U.S.A. 1950	Exports to the U.S.A. 1960	Imports from the U.S.A. 1950	Imports from the U.S.A. 1960
	(Million of Dollars in Round Figures)			
Nigeria	35	39	6	25
Liberia	21	39	24	36
Union of South Africa	141	107	125	277
Australia	141	142	110	386
Venezuela	323	948	401	550
Peru	48	182	75	143
Mexico	315	442	519	810
Brazil	715	570	353	426
Indonesia	155	216	81	85

Low latitude regions give promise of development into better markets.

The Security I Like Best

Continued from page 2

Maalox sales have already necessitated the construction, now underway, of a 24,000 square foot addition to the main building. I estimate 1962 sales at $20 million, up 34% from 1961's $14.9 million, with earnings to reach $1.00 per share, a 40% advance from last year's 72¢. (The fourth quarter usually represents about 35% of full year sales and 50% of annual earnings. During that period, wholesalers order substantial stocks of Maalox, taking advantage of the company's once a year special deferred billing offer, given to lessen shipments of Maalox during the winter first quarter when the product could freeze if not shipped in costly heated trucks.)

Management, by policy, does not make predictions. Nevertheless, several years close study of the company and periodic conversations with some of the top executives leads the writer to feel that recent past growth rates can be extended for several years. In other words, per share earnings increases of at least 30% per year can continue for several more years, even though the base continues to expand. Major new drug introductions, when they do come, can have a marked effect on sales and earnings since the company, even now, is still relatively small.

The quarterly dividend was raised in February and again in June. The present indicated annual dividend rate is 40¢ per share, a 40% payout of estimated earnings, providing a yield of 1½%.

Financial position is excellent and no financing is contemplated. Total assets at June 30 were $8.9 million, with current assets $4.9 million and property, plant and equipment $3.6 million. Net working capital equaled $2.8 million.

The stock was offered to the public in May, 1958 at $18.50 a share ($1.55 per share adjusted for splits of 3-for-1 in 1959 and 4-for-1 in 1961). Two secondary distributions were made subsequent to the original offering in order to further reduce the Rorer family holdings to help broaden the market for the shares. In 1961, after the split, the stock reached a high of 65, or ninety times what was to be 1961's per share earnings. This year, during the market weakness at the end of June, stock was purchased in our office at a low of 19.

I firmly believe that William H. Rorer, Inc. is one of the outstanding growth stocks of our era. It is now available at a reasonable multiple of earnings considering its rate of growth. This is stock in a truly dynamic company, and since that company is in the drug industry, an area holding most assured prospects for long-term growth, it is my choice for the security I like best.

Joins Shearson, Hammill

(Special to THE FINANCIAL CHRONICLE)

LA JOLLA, Calif. — Stanley R. Stewart has joined the staff of Shearson, Hammill & Co., 1125 Wall Street. He was formerly La Jolla manager for Pacific Coast Securities Co.

With Olmstead, Allen

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Leon G. Shahanian has become affiliated with Olmstead, Allen & Co., 210 West Seventh Street. He was formerly with Holton, Henderson & Co. and Morgan & Co.

Eastern Seaboard Secs.

Eastern Seaboard Securities Corporation is engaging in a securities business from offices at 350 Fifth Avenue, New York City.

Indications of Current Business Activity

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

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON & STEEL INSTITUTE:					
Steel ingots and castings (net tons)	Aug. 25	1,611,000	1,616,000	1,504,000	2,020,000
Index of production based on average weekly production for 1957-1959	Aug. 25	86.5	86.7	80.7	108.4
Unofficial indicated steel operations (per cent capacity). The American Iron & Steel Institute discontinued issuing this data late in 1960	Aug. 25	55.0	55.5	51.5	69.1
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Aug. 17	7,283,710	7,260,710	7,264,810	7,021,960
Crude runs to stills—daily average (bbls.)	Aug. 17	8,562,000	8,546,000	8,450,000	8,339,000
Gasoline output (bbls.)	Aug. 17	30,713,000	30,535,000	30,700,000	30,026,000
Kerosene output (bbls.)	Aug. 17	2,899,000	3,024,000	3,078,000	2,583,000
Distillate fuel oil output (bbls.)	Aug. 17	13,472,000	13,888,000	13,279,000	14,212,000
Residual fuel oil output (bbls.)	Aug. 17	5,213,000	5,176,000	5,435,000	5,642,000
Stocks at refineries, bulk terminals, in transit, in pipe lines					
Finished gasoline (bbl.) at	Aug. 17	180,199,000	180,906,000	184,031,000	179,849,000
Kerosene (bbls.) at	Aug. 17	33,898,000	34,065,000	31,652,000	32,917,000
Distillate fuel oil (bbls.) at	Aug. 17	149,269,000	145,411,000	131,163,000	141,635,000
Residual fuel oil (bbls.) at	Aug. 17	51,898,000	52,075,000	48,099,000	48,943,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Aug. 18	582,626	565,881	558,246	595,085
Revenue freight received from connections (no. of cars)	Aug. 18	484,342	478,334	447,883	495,378
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:					
Total U. S. construction	Aug. 23	$397,800,000	$538,400,000	$459,800,000	$323,500,000
Private construction	Aug. 23	212,400,000	222,600,000	252,700,000	150,300,000
Public construction	Aug. 23	185,400,000	315,800,000	207,100,000	173,200,000
State and municipal	Aug. 23	157,500,000	282,100,000	164,800,000	152,200,000
Federal	Aug. 23	27,900,000	33,700,000	42,300,000	21,000,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Aug. 18	8,805,000	*8,260,000	7,530,000	8,303,000
Pennsylvania anthracite (tons)	Aug. 18	283,000	316,000	290,000	336,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1957-59 AVERAGE=100	Aug. 18	106	199	93	103
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Aug. 25	17,320,000	16,838,000	16,635,000	15,491,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Aug. 23	302	285	269	352
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Aug. 20	6.196c	6.196c	6.196c	6.196c
Pig iron (per gross ton)	Aug. 20	$66.44	$66.44	$66.44	$66.44
Scrap steel (per gross ton)	Aug. 20	$27.50	$27.50	$26.50	$37.83
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Aug. 22	30.600c	30.600c	30.600c	30.600c
Export refinery at	Aug. 22	28.625c	28.650c	28.500c	28.150c
Lead (New York) at	Aug. 22	9.500c	9.500c	9.500c	11.000c
Lead (St. Louis) at	Aug. 22	9.300c	9.300c	9.300c	10.800c
‡Zinc (delivered) at	Aug. 22	12.000c	12.000c	12.000c	12.000c
Zinc (East St. Louis) at	Aug. 22	11.500c	11.500c	11.500c	11.500c
Aluminum (primary pig, 99.5%) at	Aug. 22	24.000c	24.000c	24.000c	26.000c
Straits tin (New York) at	Aug. 22	107.875c	108.375c	111.000c	120.250c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Aug. 28	88.68	88.58	88.04	87.19
Average corporate	Aug. 28	87.05	86.91	86.78	85.59
Aaa	Aug. 28	91.05	91.05	90.77	89.64
Aa	Aug. 28	89.23	89.09	88.81	87.72
A	Aug. 28	86.78	86.65	86.65	84.68
Baa	Aug. 28	81.66	81.54	81.54	80.81
Railroad Group	Aug. 28	83.53	83.40	83.40	83.15
Public Utilities Group	Aug. 28	88.95	88.81	88.81	86.38
Industrials Group	Aug. 28	89.09	88.81	88.40	87.32
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Aug. 28	3.86	3.87	3.93	3.94
Average corporate	Aug. 28	4.63	4.64	4.65	4.74
Aaa	Aug. 28	4.34	4.34	4.36	4.44
Aa	Aug. 28	4.47	4.48	4.50	4.58
A	Aug. 28	4.65	4.66	4.66	4.81
Baa	Aug. 28	5.05	5.06	5.06	5.12
Railroad Group	Aug. 28	4.90	4.91	4.91	4.93
Public Utilities Group	Aug. 28	4.49	4.50	4.50	4.68
Industrials Group	Aug. 28	4.48	4.50	4.53	4.61
MOODY'S COMMODITY INDEX	Aug. 28	368.0	371.5	370.4	377.1
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Aug. 18	328,775	346,263	362,869	326,330
Production (tons)	Aug. 18	358,439	362,201	332,532	327,549
Percentage of activity	Aug. 18	98	98	93	94
Unfilled orders (tons) at end of period	Aug. 18	493,054	524,704	524,921	515,626
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100	Aug. 24	112.83	114.24	115.35	114.59
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS					
Transactions of specialists in stocks in which registered—					
Total purchases	Aug. 3	2,300,370	1,961,560	2,127,540	3,064,870
Short sales	Aug. 3	520,660	541,800	642,540	569,140
Other sales	Aug. 3	1,708,970	1,285,360	1,640,530	2,403,210
Total sales	Aug. 3	2,229,630	1,827,160	2,283,070	2,972,350
Other transactions initiated off the floor—					
Total purchases	Aug. 3	420,030	309,820	279,830	389,990
Short sales	Aug. 3	104,800	90,000	63,120	17,200
Other sales	Aug. 3	320,000	206,550	239,140	303,300
Total sales	Aug. 3	424,800	296,550	302,260	320,500
Other transactions initiated on the floor—					
Total purchases	Aug. 3	789,055	614,281	643,830	1,022,630
Short sales	Aug. 3	141,680	96,140	129,070	159,050
Other sales	Aug. 3	728,800	603,676	666,980	924,093
Total sales	Aug. 3	870,480	699,816	796,050	1,083,143
Total round-lot transactions for account of members—					
Total purchases	Aug. 3	3,509,455	2,885,661	3,051,200	4,477,490
Short sales	Aug. 3	767,140	727,940	834,730	745,390
Other sales	Aug. 3	2,757,770	2,095,586	2,546,650	3,630,603
Total sales	Aug. 3	3,524,910	2,823,526	3,381,380	4,375,993
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	Aug. 3	1,295,762	1,189,302	1,536,114	1,946,045
Dollar value	Aug. 3	$63,655,857	$55,565,900	$70,821,945	$100,784,597
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—customers' total sales	Aug. 3	1,319,286	1,117,814	1,046,955	1,866,564
Customers' short sales	Aug. 3	35,838	40,160	57,110	10,542
Customers' other sales	Aug. 3	1,283,448	1,077,654	989,845	1,856,022
Dollar value	Aug. 3	$66,218,909	$52,962,030	$51,642,031	$94,033,954
Round-lot sales by dealers—					
Number of shares—Total sales	Aug. 3	404,680	331,900	202,290	548,070
Short sales	Aug. 3				
Other sales	Aug. 3	404,680	331,900	202,290	548,070
Round-lot purchases by dealers—Number of shares	Aug. 3	405,180	433,930	693,780	653,560
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	Aug. 3	1,111,280	1,124,240	1,306,020	871,930
Other sales	Aug. 3	16,296,600	13,304,380	12,957,470	18,608,470
Total sales	Aug. 3	17,407,880	14,428,620	14,263,490	19,480,400
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):					
Commodity Group—					
All commodities	Aug. 21	100.7	100.6	100.3	Not avail.
Farm products	Aug. 21	97.9	*97.9	96.3	Not avail.
Processed foods	Aug. 21	101.9	*101.6	100.9	Not avail.
Meats	Aug. 21	101.1	99.7	98.3	Not avail.
All commodities other than farm and foods	Aug. 21	100.8	100.8	100.7	Not avail.

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

	Latest Month	Previous Month	Year Ago
AMERICAN HOME LAUNDRY MANUFACTURERS ASSOCIATION—Month of July:			
Total home laundry appliance factory unit sales (domestic)	350,810	407,603	298,787
Washers	264,158	334,864	228,422
Automatic and semi-automatic	218,151	267,345	182,405
Wringers and others	46,007	67,519	46,017
Combination washer-dryers	2,707	2,491	5,442
Dryers	83,945	70,248	64,923
Electric	59,042	49,701	42,639
Gas	24,903	20,547	22,284
BUSINESS INCORPORATIONS (NEW) IN THE UNITED STATES—DUN & BRADSTREET, INC.—Month of June	15,234	16,408	16,418
BUSINESS INVENTORIES — DEPT. OF COMMERCE NEW SERIES — Month of June (Millions of dollars):			
Manufacturing	$56,970	*$56,810	$53,360
Wholesale	13,880	*13,780	13,500
Retail	27,030	*26,940	26,220
Total	$97,820	*$97,520	$93,090
CROP PRODUCTION — CROP REPORTING BOARD U. S. DEPT. OF AGRICULTURE—Crop as of Aug. 1 (in thousands):			
Corn for grain (bushels)	3,549,633	3,518,069	3,624,313
Wheat, all (bushels)	1,063,017	1,050,053	1,234,705
Winter (bushels)	815,028	835,791	1,076,274
All spring (bushels)	[illegible]	[illegible]	[illegible]
Durum (bushels)	57,119	47,343	18,955
Other spring (bushels)	[illegible]	[illegible]	[illegible]
Oats (bushels)	1,030,308	997,248	1,012,855
Barley (bushels)	418,577	392,391	393,384
Rye (bushels)	38,926	39,681	27,262
Flaxseed (bushels)	27,853	26,131	21,852
Rice (100 lb. bag)	62,158	60,575	53,636
Sorghum grain (bushels)	485,170	------	482,615
Cotton (bale)	15,102	------	14,318
Hay, all (ton)	115,963	116,286	116,632
Hay, wild (ton)	10,354	10,235	8,371
Hay, alfalfa (ton)	69,152	68,997	66,961
Hay, clover and timothy (ton)	20,795	21,419	23,810
Hay, lespedeza (ton)	3,055	3,171	3,805
Beans, dry edible (cleaned) (100 lb. bag)	18,805	18,702	20,006
Peas, dry field (cleaned) (100 lb. bag)	4,461	4,332	3,498
Soybeans for beans (bushels)	702,594	------	693,023
Peanuts (pounds)	1,679,085	------	1,742,960
Potatoes—			
Winter (cwt.)	4,395	4,395	4,967
Early spring (cwt.)	3,443	3,443	4,640
Late spring (cwt.)	20,652	20,652	27,753
Early summer (cwt.)	12,477	12,635	15,496
Late summer (cwt.)	34,643	33,853	36,106
Fall (cwt.)	187,587	------	204,632
Total (cwt.)	263,197	------	293,594
Sweetpotatoes (cwt.)	16,597	16,680	15,083
Tobacco (pounds)	2,134,995	2,140,790	2,058,302
Sugarcane for sugar and seed (tons)	11,511	11,245	9,860
Sugar beets (tons)	18,333	18,524	17,664
Broomcorn (tons)	24	------	25
Hops (pounds)	45,300	44,776	35,454
Apples, commercial crop (bushels)	122,635	124,225	126,710
Peaches (bushels)	75,000	77,675	77,895
Pears (bushels)	28,412	28,367	27,080
Grapes (tons)	3,174	3,164	3,092
Cherries (tons)	290	291	267
Apricots (tons)	163	163	191
Pecans (pounds)	90,600	------	246,750
EMPLOYMENT AND PAYROLLS—U. S. DEPT. OF LABOR REVISED SERIES—Month of July:			
All manufacturing (production workers)	12,406,000	*12,523,000	12,023,000
Durable goods	6,942,000	*7,072,000	6,616,000
Nondurable goods	5,464,000	*5,496,000	5,407,000
Payroll indexes (1957-59 avge.=100)—			
All manufacturing	113.3	*115.1	105.7
Estimated number of employees in manufacturing industries—			
All manufacturing	16,759,000	*16,862,000	16,268,000
Durable goods	9,456,000	*9,540,000	9,051,000
Nondurable goods	7,303,000	*7,322,000	7,217,000
LIFE INSURANCE PURCHASES — INSTITUTE OF LIFE INSURANCE — Month of June (000's omitted):			
Ordinary	$4,666	$4,791	$4,569
Industrial	575	625	620
Group	1,463	1,341	1,111
Total	$6,704	$6,757	$6,300
MANUFACTURERS' INVENTORIES & SALES—Month of June (millions of dollars):			
Inventories—			
Durables	$32,530	*$32,580	$30,200
Nondurables	24 380	*24,230	23,160
Total	$56,910	*$56,810	$53,360
Sales	33,040	33,500	30,850
PORTLAND CEMENT (BUREAU OF MINES)—Month of June:			
Production (barrels)	32,304,000	33,719,000	31,594,000
Shipments from mills (barrels)	33,349,000	33,398,000	33,739,000
Stocks at end of month (barrels)	38,752,000	*40,073,000	37,346,000
Capacity used (per cent)	88	88	88
PRICES RECEIVED BY FARMERS — INDEX NUMBER — U. S. DEPT. OF AGRICULTURE—1910-1914 = 100—As of July 15:			
All farm products	240	239	235
Crops	231	236	229
Commercial vegetables, fresh	229	258	238
Cotton	275	275	266
Feed, grain and hay	155	157	156
Food grains	229	230	201
Fruit	191	203	239
Oil-bearing crops	252	253	261
Potatoes	205	220	173
Tobacco	542	543	519
Livestock	248	242	241
Dairy products	239	230	248
Meat animals	310	305	289
Poultry and eggs	133	128	138
Wool	257	261	232
TIN—CONSUMPTION OF PRIMARY AND SECONDARY TIN IN THE UNITED STATES BUREAU OF MINES—Month of June (in long tons):			
Stocks in beginning of period	32,055	33,575	28,995
Receipts	6,950	5,860	6,759
Supply	39,005	39,435	35,745
Stocks at end of period	32,140	32,055	28,535
Total processed	6,865	7,380	7,210
Intercompany scrap transactions	155	150	240
Consumed in manufacturing	6,710	7,230	6,970
Primary	4,735	5,170	4,420
Secondary	1,975	2,060	2,550
UNITED STATES EXPORTS AND IMPORTS BUREAU OF CENSUS — Month of June (000's omitted):			
Exports	$1,970,400	$1,972,500	$1,699,400
Imports	1,350,200	1,453,500	1,232,000

Securities Now in Registration

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
● ITEMS REVISED

NOTE — Registration statements filed with the SEC since the last issue of the "Chronicle" are now carried separately at the end of this section "Securities Now in Registration." Dates shown in parenthesis alongside the company's name, and in the index, 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 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 Raffensperger, Hughes & Co., Indianapolis.

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.

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.

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.

Alaska Pacific Lumber Co.
Nov. 17, 1961 filed 250,000 common. **Price** — $5.75. **Business**—A lumber company. **Proceeds**—For construction and working capital. **Office**—614 Equitable Bldg., Portland, Ore. **Underwriter**—Dempsey-Tegeler & Co., Inc., St. Louis. **Note**—This registration was temporarily postponed.

Alcolac Chemical Corp.
March 23, 1962 filed 50,000 common. **Price**—By amendment (max. $6). **Business**—Manufacture of specialty chemical products. **Proceeds**—For general corporate purposes. **Office**—3440 Fairfield Rd., Baltimore. **Underwriter**—Robert Garrett & Sons, Baltimore. **Offering**—Indefinitely postponed.

Allegheny Aluminum Industries, Inc.
Dec. 21, 1961 filed 100,000 common. **Price**—$4.25. **Business**—Manufacture of aluminum and fiberglass awnings and aluminum combination storm-screen windows and doors. **Proceeds** — For an acquisition, debt repayment and general corporate purposes. **Office**—5007 Lytle St., Pittsburgh, Pa. **Underwriter**—First Madison Corp., N. Y.

Allied Doll & Toy Corp.
Feb. 27, 1962 filed 133,333 common. **Price**—$3. **Business**—Manufacture and sale of dolls. **Proceeds**—For equipment, advertising, and working capital. **Office** — 4116 First Ave., Brooklyn, N. Y. **Underwriter** — Theodore Arrin & Co., Inc., N. Y.

Allied Graphic Arts, Inc.
Mar. 27, 1962 filed 180,000 common, of which 60,000 will be sold for the company and 120,000 for a stockholder. **Price**—By amendment. **Business**—Publication of mass circulation catalogues (for department stores and mail order firms), a semi-annual magazine and stamp collectors' books. **Proceeds**—For debt repayment and working capital. **Office**—551 Fifth Ave., N. Y. **Underwriter**—Bache & Co., N. Y. **Offering**—Indefinitely postponed.

All-State Properties, Inc.
April 24, 1962 filed $5,000,000 of conv. subord. debentures due 1977. **Price**—At par. **Business**—Company and subsidiaries conduct a general real estate business with emphasis on land development and home construction in Fla., Md., N. Y., and Ky. **Proceeds**—For repayment of debt. **Office**—230 Park Ave., N. Y. **Underwriters**—Bear, Stearns & Co., and Allen & Co., N. Y.

Alsco Electronics, Inc. (9/4-7)
March 28, 1962 ("Reg. A") 100,000 class A common. **Price** — $3. **Business** — Wholesaling and distributing of electronic parts, kits, components, etc. **Proceeds** — For inventory and working capital. **Office**—2520 N. Broad St., Philadelphia. **Underwriters**—Albert Teller & Co., Inc., and H. A. Riecke & Co., Inc., Philadelphia.

Amerel Mining Co. Ltd.
July 31, 1961 filed 400,000 common shares. **Price**—50¢. **Business**—The company is engaged in exploration, development and mining. **Proceeds**—For diamond drilling, construction, exploration and general corporate expenses. **Office** — 80 Richmond St., W., Toronto. **Underwriter**—E. A. Manning, Ltd., Toronto.

American Bolt & Screw Mfg. Corp.
Dec. 15, 1961 filed 150,000 common. **Price**—By amendment. **Business**—Manufacture of standard and special industrial aircraft and missile fasteners. **Proceeds** — For debt repayment, equipment and other corporate purposes. **Office** — Lawson Blvd., Oceanside, L. I., N. Y. **Underwriter**—S. D. Fuller & Co., N. Y. **Offering**—Expected in September.

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 Cruttenden, Podesta & Miller, Chicago.

American Flag & Banner Co. of New Jersey (9/27-28)
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**—Cruttenden, 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.

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.

Angler Industries, Inc.
Aug. 17, 1962 ("Reg. A") 120,000 common. **Price**—$2.50. **Business**—Manufacture of hardware, and the assembly of products for the electronics industry. **Proceeds**—For debt repayment, equipment, inventory, and working capital. **Office**—107 Trumbull St., Elizabeth, N. J. **Underwriter**—Edward H. Stern & Co., N. Y.

Arde Inc.
March 30, 1962 filed 100,000 common, of which 80,000 are to be sold by the company and 20,000 by stockholders. **Price**—By amendment (max. $8.50). **Business**—Research, development and engineering under defense contracts. **Proceeds**—Repayment of bank loans, equipment, plant expansion and working capital. **Office**—Paramus, N. J. **Underwriter**—McDonnell & Co., N. Y.

Arden Farms Co.
May 23, 1962 filed $6,000,000 of 6% conv. subord. debentures due 1990 to be offered in $100 units; also 49,993 shares of $3 cumulative preferred stock and 205,105 common shares to be offered for subscription by stockholders of the respective classes on the basis of one new share for each 10 held. **Price**—For debentures, at par; for stock, by amendment. **Business**—Manufacture, purchase and sale of ice cream and other dairy products. **Proceeds**—For debt repayment. **Office**—1900 W. Slauson Ave., Los Angeles. **Underwriter**—None.

Argus Financial Fund, Inc.
Feb. 12, 1962 filed 800,000 capital shares to be offered in exchange for certain securities acceptable to the Fund. **Price**—Net asset value (expected at $12.50 per share). **Business**—A diversified open-end investment company which plans to participate in the long-term progress of savings and loan associations, and allied financial businesses. **Proceeds**—For investment. **Office**—1118 Torrey Pines Road, La Jolla, Calif. **Dealer-Manager**—Argus Financial Sales Corp. (same address).

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.

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. (9/10-14)
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.
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.

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.

Bank Leumi Le-Israel B. M.
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. **Note**—This company formerly was carried under the name National Bank of Israel Ltd.

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.

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. **Note**—This registration 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 100,000 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.

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**—1101 Albany Ave., Hartford, Conn. **Underwriter**—Gianis & Co., Inc., N. Y.

Buddy L. Corp.
April 2, 1962 filed 225,000 common. **Price** — By amendment (max. $10). **Business** — Design, manufacture and sale of various type toys. **Proceeds**—For a proposed acquisition of another toy company. **Office**—200 Fifth Ave., N. Y. **Underwriter**—Milton D. Blauner & Co., Inc., N. Y. **Offering**—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.

California Life Insurance Co.
Aug. 16, 1962 filed 350,000 common. **Price**—By amendment (max. $6). **Business**—Writing of life, accident and health insurance. **Proceeds**—For general corporate purposes. **Office**—4400 MacArthur Blvd., Oakland. **Underwriter**—Stewart, Eubanks, Meyerson & Co., San Francisco.

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. (9/17-21)
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**—Manufactuer 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.

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

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

Capital Management Corp.
Dec. 27, 1961 ("Reg. A") 60,000 common. **Price**—$5. **Business** — An investment company which will hold mortgages, land contracts, etc. **Proceeds** — For investment. **Office**—44 E. Indian School Rd., Scottsdale, Ariz. **Underwriter** — Pacific Underwriters, Inc., Scottsdale, Ariz. **Note**—The SEC has issued an order temporarily suspending this issue.

Career Academy, Inc.
June 29, 1962 filed 100,000 common. **Price**—By amendment (max. $3.25). **Business** — Operation of technical schools. **Proceeds**—For debt repayment, expansion and general corporate purposes. **Office**—135 W. Wells St., Milwaukee. **Underwriter**—Divine & Fishman, 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.

Centco Industries Corp.
April 30, 1962 filed 120,000 common. **Price**—$5. **Business**—Manufacture of plastic and rubber film laminates, a line of casting, laminating and embossing machinery. **Proceeds**—For new products, debt repayment, inventories and working capital. **Office**—11-17 Clintonville St., Whitestone, N. Y. **Underwriter**—Arnold Malkan & Co., Inc., 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**—Pennaluna & Co. and Standard Securities, Inc., Spokane, Wash.

Central Mutual Fund, Inc.
Aug. 20, 1962 filed 100,000 capital shares. **Price**—Net asset value (max. $14) plus a 2% sales commission. **Business**—A mutual fund specializing in life insurance stocks. **Proceeds**—For investment. **Office**—110 North East St., Jacksonville, Ill. **Underwriter**—CN Agency, Inc., same address.

● Central Telephone Co. (9/17-21)
Aug. 21, 1962 filed 250,000 cumulative preferred shares (par $25). **Price**—By amendment. **Proceeds**—For redemption of outstanding 5½% preferred, 5¼% bonds and 4½% debentures; construction, and other corporate purposes. **Office**—144 S. 12th St., Lincoln, Neb. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y.

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 diver-

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sified 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**—Shields & Co., N. Y. **Offering**—Expected in early September.

Coburn Credit Co., Inc.
Aug. 17, 1962 filed 80,000 shares of 6% cum. convertible preferred. **Price**—$25. **Business**—Consumer sales financing. **Proceeds**—For working capital. **Office**— 53 N. Park Ave., Rockville Centre, N. Y. **Underwriter**—None.

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. (9/11)**
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 Concepts Inc. (9/10-14)
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. **Offering**—Indefinitely postponed.

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, jewelery, 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 (9/17-21)
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.

Consolidated Vending Corp.
April 2, 1962 filed 70,000 common. **Price**—$5.75. **Business**—Operation of vending machines. **Proceeds**—For debt repayment working capital and other corporate purposes. **Office**—129 S. State St., Dover, Del. **Underwriter**—Dana Securities Co., Inc., N. Y.

Consumers Mart of America, Inc.
Jan. 8, 1962 filed 72,000 common. **Price**—By amendment. **Business**—Operation of discount department stores. **Proceeds**—For expansion and working capital. **Office**—4701 N. Harlem Ave., Chicago. **Underwriters**—Rittmaster, Voisin & Co., N. Y. and Midland Securities Co., Inc., Kansas City, Mo.

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

Continental Telephone Co. (9/10-14)
March 30, 1962 filed 475,000 common. **Price**—By amendment (max. $15). **Business**—A telephone holding company. **Proceeds**—For debt repayment. **Office**—111 S. Bemiston St., St. Louis. **Underwriters**—Allen & Co. and E. F. Hutton & Co., N. Y.

ControlDyne, Inc.
Oct. 24, 1961 filed 150,000 common. **Price**—$1.15. **Business**—Development and production of electronic testing and training devices. **Proceeds** — For expansion and working capital. **Office**—9340 James Ave., S., Minneapolis. **Underwriter**—E. Bruce Co., Minneapolis. **Note**—This firm formerly was named Control Dynamics, Inc. **Offering**—Indefinitely postponed.

Cooke (F. L.), Inc.
Dec. 29, 1961 filed 125,000 common. **Price**—$3.75. **Business**—Manufacture of high vacuum systems and electronic equipment. **Proceeds** — For debt repayment and general corporate purposes. **Office**—145 Water St., South Norwalk, Conn. **Underwriters**—John R. Maher Associates and Bull & Low, N. Y. **Offering**—Expected in early Fall.

Corporate Funding Corp.
April 26, 1962 ("Reg. A") 75,000 class A common. **Price** $4. **Business** — A financial investment and holding company. **Proceeds**—For expansion and working capital. **Office**—39 Broadway, N. Y. **Underwriter**—R. F. Dowd & Co., Inc., N. Y. **Offering**—Indefinitely postponed.

● **Cosnat Corp. (9/24-28)**
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.

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.

● **Cousins Properties Inc. (9/4)**
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 caiptal. **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 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.

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**—Crerie & Co., Inc., 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, Philadelhia. **Underwriters**—Drexel & Co., Philadelphia and Kidder, Peabody & Co., N. Y.

Echlin Manufacturing Co. (9/10-14)
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**—Blair & Co., New York.

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. (9/4-7)
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.

● **Electronic Transmission Corp.**
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 circut TV system. **Proceeds**—For debt repayment, expansion, sales promotion and working capital. **Office** — 103 E. Hawthorne Ave., Valley Stream, N. Y. **Underwriters**—V. S. Wickett & Co., Inc., Thomas. Williams & Lee. Inc., and Crosse & Co., Inc., NewYork. **Offering**—Imminent.

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. (9/4-7)
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 Annuity Life Insurance Co.
Aug. 21, 1962 filed 150,000 common to be offered for subscription by stockholders on a pro rata basis. **Price**—$7. **Business**—Sale of individual life insurance, pension trust and group variable annuity contracts. **Proceeds**—For expansion and capital funds. **Office** — 2480 16th St., N. W., Washington, D. C. **Underwriter**—None.

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.

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 cen-

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NEW ISSUE CALENDAR

September 4 (Tuesday)

Alsco Electronics, Inc. — Class A
(Albert Teller & Co., Inc. and H. A. Riecke & Co., Inc.) $300,000

Cousins Properties, Inc. — Units
(McDonnell & Co., Inc. and Wyatt, Neal & Waggoner) 10,000 units

Electromagnetic Industries, Inc. — Common
(Pierce, Carrison, Wulburn, Inc.) 70,000 shares

Electromagnetic Industries, Inc. — Conv. Debentures
(Pierce, Carrison, Wulbern, Inc.) $250,000

Emcee Electronics, Inc. — Units
(Weil & Co., Inc.) $400,000

Fifco, Inc. — Common
(Lancer Securities) $199,998

Firmatron, Inc. — Common
(Fred F. Sessler & Co., Inc.) $247,500

Kornhandler (Lou), Inc. — Common
(Costello, Russotto & Co.) $250,000

September 5 (Wednesday)

Pennsylvania Power Co. — Bonds
(Bids 11 a.m. EDST) $12,000,000

Stephens (M.) Mfg., Inc. — Capital
(Thomas Jay, Winston & Co., Inc. and I. J. Schein & Co.) $300,000

Trailer Train Co. — Equip. Trust Ctfs.
(Bids 10:30 a.m. EDST) $9,600,000

September 6 (Thursday)

Public Service Co. of Colorado — Common
(Offering to stockholders—underwritten by First Boston Corp.; Blyth & Co., Inc., Smith, Barney & Co.) 1,242,822 shares

September 10 (Monday)

Aubrey Manufacturing, Inc. — Common
(Pierce, Carrison, Wulbern, Inc. and A. M. Kidder & Co., Inc.) 140,004 shares

Computer Concepts Inc. — Common
(Doft & Co.) $500,000

Continental Telephone Co. — Common
(Allen & Co. and E. F. Hutton & Co.) 475,000 shares

Duro Pen Co., Inc. — Common
(Godfrey, Hamilton, Taylor & Co.) $500,000

Echlin Manufacturing Co. — Common
(Blair & Co.) 210,000 shares

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

Kaiser-Nelson Corp. — Common
(Robert L. Ferman & Co., Inc.) 140,000 shares

Lyntex Corp. — Units
(P. W. Brooks & Co., Inc.) 1,200 units

Miracle Mart, Inc. — Common
(McDonnell & Co.) 295,000 shares

Sawyer's Inc. — Capital
(Straus, Blosser & McDowell and Dempsey-Tegeler & Co., Inc.) 100,000 shares

Sawyer's Inc. — Debentures
(Straus, Blosser & McDowell and Dempsey-Tegeler & Co., Inc.) $1,250,000

Spencer Chemical Co. — Common
(Morgan Stanley & Co.) 37,777 shares

Stelber Cycle Corp. — Common
(Lloyd Securities, Inc.) $315,000

Walston Aviation, Inc. — Common
(White & Co., Inc.) $562,500

Welsh Panel Co. — Common
(Robert L. Ferman & Co.) $770,000

September 11 (Tuesday)

Computer Applications Inc. — Common
(L. M. Rosenthal & Co., Inc.) 87,000 shares

Leslie Fay Inc. — Class A
(Shearson, Hammill & Co.) 200,000 shares

Pacific Northwest Bell Telephone Co. — Debentures
(Bids 11 a.m. EDST) $50,000,000

Southern Railway Co. — Equip. Trust Ctfs.
(Bids 12 noon EDST) $9,450,000

Tennessee Gas Transmission Co. — Debentures
(Stone & Webster Securities Corp.) $50,000,000

Tennessee Gas Transmission Co. — Preferred
(Stone & Webster Securities Corp. and White, Weld & Co., Inc.) 225,000 shares

September 13 (Thursday)

Oceana International, Inc. — Common
(Standard Securities Corp.) $750,000

September 17 (Monday)

American Gas Co. — Common
(Offering to stockholders—underwritten by Cruttenden, Podesta & Miller) 548,532 shares

Cameo Lingeries, Inc. — Common
(Schweickart & Co.) $1,000,000

Central Telephone Co. — Preferred
(Paine, Webber, Jackson & Curtis) 250,000 shares

College Publishing Corp. — Common
(James Co.) $155,000

Consolidated Leasing Corp. of America — Common
(Blair & Co.) 305,000 shares

Consolidated Leasing Corp. of America — Debentures
(Blair & Co.) $1,100,000

Dyna Mfg. Co. — Common
(Raymond Moore & Co.) $300,000

Gulf Atlantic Utilities, Inc. — Common
(Pierce, Carrison, Wulbern, Inc.) 90,000 shares

Laminetics Inc. — Common
(Fabricant Securities Corp) $280,000

Optech, Inc. — Common
(Stone, Ackerman & Co., Inc. and Heritage Equity Corp.) $480,000

Playboy Clubs International, Inc. — Common
(Divine & Fishman, Inc.) 270,000 shares

Roadcraft Corp. — Common
(Vickers, MacPherson & Warwick, Inc.) 400,000 shares

Security Aluminum Corp. — Common
(Vickers, MacPherson & Warwick, Inc.) 200,000 shares

September 18 (Tuesday)

San Diego Gas & Electric Co. — Common
(Offering to stockholders—underwriter to be named) 500,000 shares

Shin Mitsubishi Jukogyo, K. K. — Debentures
(First Boston Corp. and Nomura Securities Co., Ltd.) $10,000,000

September 24 (Monday)

Chestnut Hill Industries, Inc. — Common
(Clayton Securities Corp.) $2,250,000

Cosnat Corp. — Common
(Van Alstyne, Noel & Co.) 190,000 shares

First Connecticut Small Business Investment Co. — Common
(P. W. Brooks & Co.) 200,000 shares

Hallandale Rock & Sand Co. — Units
(Mutch, Khanbegian, Flynn & Green, Inc.) $450,000

Halsey Drug Co. — Common
(Packer-Wilbur & Co., Inc. and Alessandrini & Co., Inc.) $318,000

Livestock Financial Corp. — Common
(Shearson, Hammill & Co.) $2,450,000

Magnetics Research Co., Inc. — Common
(T. W. Lewis & Co., Inc.) $300,000

Worth Financial Corp. — Common
(D. A. Bruce & Co.) $305,000

September 25 (Tuesday)

Iowa Southern Utilities Co. — Bonds
(Bids to be received) $4,900,000

September 27 (Thursday)

American Flag & Banner Co. of New Jersey — Common
(K-Pac Securities Corp.) $325,000

September 28 (Friday)

Tabach Industries, Inc. — Common
(Costello, Russotto & Co.) $300,000

October 1 (Monday)

Lewis (Tillie) Foods, Inc. — Debentures
(Van Alstyne, Noel & Co.) $4,000,000

October 2 (Tuesday)

Consolidated Edison Co. of New York, Inc. — Bonds
(Bids to be received) $75,000,000

October 8 (Monday)

Putnam Management Co., Inc. — Common
(Paine, Webber, Jackson & Curtis and Kidder, Peabody & Co., Inc.) 150,000 shares

Servotronics, Inc. — Capital
(General Securities Co., Inc.) $375,000

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

October 29 (Monday)

Interworld Film Distributors, Inc. — Common
(General Securities Co., Inc. and S. Kasdan & Co., Inc.) $425,000

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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ters. **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.
Nov. 30, 1961 filed 125,000 common. **Price**—$5. **Business**—The distribution of nuts, bolts and other fastening devices manufactured by others. **Proceeds**—For debt repayment and general corporate purposes. **Office**—8 Benson Place, Freeport, N. Y. **Underwriter** — Arnold Malkan & Co., Inc., N. Y.

Federal Realty Investment Trust
June 5, 1962 filed 500,000 shares of beneficial interest with attached three-year stock purchase warrants to be offered in units consisting of 100 shares and 50 warrants. **Price**—$500 per unit. **Business**—A real estate investment trust. **Office**—729 15th St., N. W., Washington, D. C. **Underwriter**—Investor Service Securities Inc., Washington, D. C.

Fidelity Mining Investments Ltd.
Nov. 30, 1961 filed 800,000 common. **Price**—By amendment. **Business**—Exploration and testing of mining properties. **Proceeds**—For general corporate purposes. **Office**—62 Richmond St., Toronto. **Underwriter**—G. V. Kirby & Associates, Ltd., Toronto.

● **Fifco, Inc. (9/4-7)**
May 17, 1962 ("Reg. A") 66,666 class A common. **Price**—$3. **Business**—Application of sprayed fireproofing and soundproofing compounds, and exterior building coatings; manufacture of plastic laminated panels, and sale of movable wall partitions. **Proceeds**—For debt repayment, inventory, advertising and other corporate purposes. **Office**—1465 N. E. 129th St., Miami, Fla. **Underwriter**—Lancer Securities, N. Y.

Firmatron, Inc. (9/4-7)
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. Mensh 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**
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., August, Ga. **Underwriter**—Johnson, Lane, Space Corp., Augusta. **Offering**—Imminent.

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.

Floseal Corp.
May 10, 1962 filed 169,420 common to be offered for subscription by stockholders. **Price**—By amendment (max. $2). **Business**—Company owns and licenses carton pouring spout patents and die patents. **Proceeds**—For debt repayment and other corporate purposes. **Office**—100 W. 10th St., Wilmington, Del. **Underwriter**—None.

Food & Drug Research Laboratories, Inc.
May 24, 1962 filed 107,500 common, of which 100,000 are to be offered by company and 7,500 by stockholders. **Price**—By amendment (max. $5). **Business**—Chemical and biological research and testing for the food, drug, cosmetics, chemical and related industries. **Proceeds**—For expansion, equipment and debt repayment. **Address**—Maurice Ave. at 58th St., Maspeth, N. Y. **Underwriters**—Maltz, Greenwald & Co. and Rittmaster, Voisin & Co., N. Y.

Forst (Alex) & Sons, Inc.
March 23, 1962 filed 100,000 common. **Price**—By amendment (max. $15). **Business**—Wholesale distribution of toys and games. **Proceeds**—For selling stockholders. **Office**—2885 Jerome Ave., Bronx, N. Y. **Underwriter**—McDonnell & Co., N. Y. **Offering**—Temporarily postponed.

Four Star Sportswear, Inc.
March 27, 1962 filed 103,000 common. **Price**—$3. **Business**—Design, manufacture and distribution of men's outerwear, sportswear and rainwear. **Proceeds**—For plant expansion, equipment and working capital. **Office**—665 Broadway, N. Y. **Underwriter**—Magnus & Co., Inc., New York.

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.
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.

Gateway Sporting Goods Co.
Aug. 20, 1962 filed $1,500,000 of conv. subord. debentures due 1977. **Price**—At par. **Business**—Operation of retail stores, licensed departments in department stores, a discount department store, etc., selling sporting goods, photographic equipment, toys and recreational items. **Proceeds**—For expansion. **Office**—1321 Main St., Kansas City, Mo. **Underwriter**—Stern Brothers & Co., Kansas City, Mo.

Gemco-Ware Corp. (9/10)
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 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., New York. **Note**—This registration was withdrawn.

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 fled $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. **Note**—This registration is being withdrawn.

Glasco Pacific, Inc.
July 12, 1962 filed 250,000 class A and 250,000 common shares to be offered in units of one clsas 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 Pharmacal Co., Inc.
March 13, 1962 filed 80,000 common. **Price**—$4. **Business**—Manufacture, development and sale of pharmaceutical and veterinarian products. **Proceeds**—For advertising, research, debt repayment and working capital. **Office**—36 Lawton St., New Rochelle, N. Y. **Underwriter**—Droulia & Co., N. Y.

Goldsmith Bros.
June 29, 1962 filed 125,000 common, of which 62,500 are to be offered by company and 62,500 by stockholders. **Price**—By amendment (max. $8). **Business**—Retail sale of stationery office supplies and department store merchandise. **Proceeds**—For expansion and working capital. **Office**—77 Nassau St., N. Y. **Underwriter**—Federman, Stonehill & Co., N. Y. **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.

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.

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. **Pro-**

ceeds—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. (9/17-21)**
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 Malinda Blvd., Jacksonville, Fla. Underwriter—Pierce, Carrison, Wulbern, Inc., Jacksonville.

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—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.

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.

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, advetrising, 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.

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.

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—$6. 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. Offering — Indefinitely postponed.

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 production of equipment for use in testing the physical characteristics of various materials. Proceeds—For selling stockholders. Office—2500 Washington St., Canton, Mass. Underwriter—None.

Instrument Components, Inc.
June 11, 1962 ("Reg. A") 135,000 common. Price — $1. Business — Manufacture and distribution of electro-mechanical rotating devices. Proceeds—For debt repayment, sales promotion and other corporate purposes. Office—312 Mt. Pleasant Ave., Newark, N. J. Underwriter—Gold-Slovin Co., Inc., N. Y.

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. Offering—Indefinitely postponed.

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, electromechanical and electronic equipment for government agencies and the military. Proceeds—For equipment, debt repayment and working capital. Office—Engineer's Hill, Plainview, L. I., N. Y. Underwriter—International Services Corp., Clifton, N. J.

International Terrazzo Co., Inc.
May 15, 1962 ("Reg. A") 75,000 common. Price—$2. Business—Manufacture and installation of terrazzo flooring, and the installation of marble and tile. Proceeds—For equipment, debt repayment, working capital and other corporate purposes. Office—826 62nd St., Brooklyn, N. Y. Underwriter—Drourr, Lampert & Co., Inc., New York.

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. (10/29)**
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

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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**—By amendment. **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.**
July 3, 1962 filed 320,468 common being offered for subscription by stockholders on the basis of one new share for each 10 held of record Aug. 28. Rights will expire Sept. 14. **Price**—$21. **Proceeds**—For debt repayment, and construction. **Office**—Orpheum-Electric Bldg., Sioux City, Iowa. **Underwriter**—White, Weld & Co., New York.

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 Greenshields & Co., Inc., N. Y. **Offering**—Indefinitely Postponed.

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 registration was withdrawn.

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. (9/10-14)**
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.

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. Franklintown 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.

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. (9/4-7)**
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, Russotto & 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.

● **Laminetics Inc. (9/17-21)**
March 22, 1962 filed 80,000 common. **Price**—$3.50. **Business**—Production and sale of gift sets, linens, place mats, etc. **Proceeds**—For equipment, moving expenses, sales promotion and other corporate purposes. **Office** — 20 W. 27th St., N. Y. **Underwriter**—Fabrikant Securities Corp., N. Y.

Lee Fashions, Inc.
Dec. 27, 1961 filed 163,667 common. **Price**—By amendment. **Business**—Importing of low priced ladies' scarfs and blouses. **Proceeds**—For debt repayment and working capital. **Office**—2529 Washington Blvd., Baltimore. **Underwriters**—Godfrey, Hamilton, Taylor & Co., N. Y. and Penzell & Co., Miami Beach. **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. (9/11)**
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. **Offering**—Expected sometime in Sept.

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.

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.

● **Livestock Financial Corp. (9/24-28)**
Feb. 23, 1962 filed 130,000 common. **Price**—$10. **Business**—An insurance holding company whose subsidiaries insure the lives of all types of animals. **Proceeds**—To form new subsidiaries. **Office**—26 Platt St., N. Y. **Underwriter**—Shearson, Hammill & Co., N. Y.

Lockfast Mfg. Co.
Jan. 11, 1962 ("Reg. A") 85,000 common. **Price** — $3.50 **Business**—Manufacture of furniture hardware for sale to furniture manufacturers. **Proceeds**—For debt repayment, steel inventories nad plant expansion. **Office**—3006 Boarman Ave., Baltimore. **Underwriter**—R & D Investors Corp., Port Washington, N. Y.

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 was named 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. **Under-**

writers—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.

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**—106 Main St., Brockton, Mass. **Underwriter**—McDonnell & Co., New York

Manhattan Drug Co., Inc.
March 29, 1962 filed 72,000 common, of which 58,000 are to be offered by company and 14,000 by stockholders. **Price**—$3.50. **Business**—Manufacture, packaging and sale of various proprietary drug products. **Proceeds**—For equipment, new products, debt repayment and working capital. **Office**—156 Tillary St., Brooklyn, N. Y. **Underwriter**—Dana Securities Co., Inc., N. Y.

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.

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.

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.

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.

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**
Dec. 20, 1961 filed 1,000,000 shares of beneficial interest. **Price**—$6.50. **Business**—A real estate investment trust. **Proceeds**—For general corporate purposes. **Office**—1700 K St., N. W., Washington, D. C. **Underwriter**—Eisele & King, Libaire, Stout & Co., N. Y. **Offering**—Expected sometime in October.

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.

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. (9/10)**
April 20, 1962 filed 180,000 common, of which 120,000 are to be offered by company and 60,000 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.**
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. **Offering**—Expected in October.

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.
See Bank Leumi Le-Israel B. M.

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, Pa. **Underwriter**—Cortlandt Investing Corp., N. Y. **Offering**—Indefinitely postponed.

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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., New York., and Piper, Jaffray & Hopwood, Minneapolis.

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.

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**—Expected in late September.

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. (9/13)
March 29, 1962 filed 150,000 common. **Price** — $5.00. **Business**—Manufacture and sale of synthetic pearl buttons. **Proceeds**—For equipment and working capital. **Office**—1331 Halsey St., Brooklyn, N. Y. **Underwriter**—Standard Securities Corp., N. Y.

Olympia Record Industries, Inc.
May 29, 1962 filed 66,000 class A shares. **Price**—$4. **Business**—Wholesale distribution of phonograph records and albums. **Proceeds**—For debt repayment, inventory, product expansion and working capital. **Office**—614 W. 51st St., N. Y. **Underwriters**—Gianis & Co., Inc. and Jed L. Hamburg Co., N. Y **Offering**—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 Northwest Bell Telephone Co. (9/11)
Aug. 17, 1962 filed $50,000,000 of debentures due Sept. 1, 2002. **Proceeds**—For reduction of debt due Pacific Telephone & Telegraph Co. **Office**—1200 Third Ave., Seattle. **Underwriters**—(Competitive). Probable bidders: Morgan Stanley & Co.; Halsey, Stuart & Co. Inc., N. Y. **Bids** —Sept. 11, 1962 (11 a.m. EDST) in Room 2315, 195 Broadway, N. Y.

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. **Note**—This registration will be withdrawn.

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.

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.

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. **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 (11 a.m. EDST) at First National City Bank, 55 Wall 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.

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).

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.

● **Putnam Management Co., Inc. (10/8-12)**
Aug. 22, 1962 filed 150,000 common (non-voting). **Price**—By amendment (max. $14). **Business**—An investment adviser and distributor of mutual funds. **Proceeds**—For selling stockholders. **Office**—60 Congress St., Boston. **Underwriters**—Paine, Webber, Jackson & Curtis, Boston, and Kidder, Peabody & Co., Inc., N. Y.

Queensway Mines Ltd.
March 15, 1962 filed 150,000 capital shares. **Price**—$1 **Business**—Mining. **Proceeds**—For debt repayment, surveying and general corporate purposes. **Office**—Suite 1212, 55 York St., Toronto. **Underwriter**—Asta Corporation Ltd., Toronto.

R E D M Corp.
June 29, 1962 filed 125,000 common, of which 50,000 will be offered for the company and 75,000 for certain stockholders. **Price**—By amendment (max. $6). **Business**—Engaged in manufacturing, engineering and research under Defense Department contracts; also manufactures ball point pens, points, mechanical pencils and desk sets. **Proceeds**—For equipment and working capital. **Office**—Little Falls, Passaic County, N. J. **Underwriter**—Meade & Co., Inc., N. Y.

RF Interonics, Inc.
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.
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. **Note**—This registration will be withdrawn and then refiled.

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. **Note**—The SEC has challenged the accuracy and adequacy of this registration statement.

Ridgerock of America, Inc.
Dec. 29, 1961 filed 100,000 common. **Price**—$2.50. **Business**—Production of stone facing for buildings. **Proceeds**—For debt reduction and general corporate purposes. **Address**—Sebring, O. **Underwriter**—To be named.

Ridgway (L. L.) Enterprises, Inc.
June 27, 1962 filed 155,000 common, of which 130,000 are to be offered by company and 25,000 by a stockholder. **Price**—By amendment (max. $10). **Business**—Company furnishes commercial reproductions, manufactures sensitized papers, cloths and films for blueprinting and printing, and sells architectural, engineering and commercial reproduction equipment and supplies. **Proceeds**—For plant expansion, equipment and working capital. **Office**—5711 Hillcroft Ave., Houston. **Underwriters**—Underwood, Neuhaus & Co., Inc. and Rotan, Mosle & Co., Houston.

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. (9/17-21)**
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., New York.

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.

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.

● **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.

● **Sawyer's Inc. (9/10)**
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.

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.

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**—To be named.

Scientific Equipment Manufacturing Corp.
April 30, 1962 filed 83,500 common. **Price**—$6. **Business**—Manufacture of sterilizers, multi-dose jet vaccine injectors, operating lights and other medical equipment. **Proceeds**—For inventories, new products and moving expenses. **Office**—20 North Ave., Larchmont, N. Y. **Underwriters**—Coggeshall & Hicks and Ernest M. Fuller & Co., N. Y.

Scripps-Howard Broadcasting Co.
March 20, 1962 filed 375,000 common. **Price**—By amendment (max. $20). **Business**—Company owns and operates TV, radio and FM broadcasting stations. **Proceeds**—For selling stockholders. **Office**—1121 Union Central Bldg., Cincinnati. **Underwriter**—First Boston Corp., N. Y. **Offering**—Indefinitely postponed.

Seaboard 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. (9/17-21)**
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.

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. (10/8)**
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 being offered for sub-

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scription 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. Record date for the offering is Aug. 21 and the rights expiration date Sept. 17. **Price**—$8. **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 was 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 37,777 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 certain 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.**
Oct. 2, 1961 ("Reg. A") 69,660 common. **Price**—$3. **Proceeds**—For equipment and working capital. **Address**—Norristown, Pa. **Underwriter**—To be named.

● **Steiber Cycle Corp. (9/10)**
Jan. 5, 1962 filed 100,000 common. **Price**—$3.25. **Business**—Manufacture of bicycles, tricycles and top automobiles. **Proceeds**—Repayment of loans, plant expansion and new product development. **Office**—744 Berriman St., Brooklyn, N. Y. **Underwriter**—Lloyd Securities, Inc., New York.

● **(M.) Stephens Mfg. Co., Inc. (9/5)**
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.

Tabach Industries, Inc. (9/28)
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 Penington, 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.

Tennessee Gas Transmission Co. (9/11)
Aug. 17, 1962 filed $50,000,000 of debentures due 1982. **Price**—By amendment. **Business**—Company owns and operates pipe line systems for transportation of natural gas. A subsidiary produces, refines and markets petroleum and petroleum products. **Proceeds**—For debt repayment. **Office**—Tennessee Bldg., Houston. **Underwriter**—Stone & Webster Securities Corp., N. Y.

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, Brourman & Chatkin, Inc., N. Y.

Thunderbird International Hotel Corp.
Jan. 2, 1962 filed 175,000 common. **Price**—By amendment ($10 max.). **Business**—Hotel ownership and management. **Proceeds** — For construction. **Office** — 525 N. Sepulveda Blvd., El Segundo, Calif. **Underwriter**—Vickers, MacPherson & Warwick, Inc., N. Y. **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 corporae 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 $9,600,000 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**—Sept. 5, 1962 (10:30 a.m. EDST) in Room 410, 6 Penn Center Plaza, Philadelphia.

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-Point Industries, Inc.**
Aug. 14, 1962 ("Reg. A") 15,800 common. **Price**—At-the-market. **Business**—Development, manufacture and sale of precision manufactured components of "Teflon," a fluorcarbon plastic. **Proceeds**—For selling stockholders. **Office**—175 I. U. Willets Rd., Albertson, L. I., N. Y. **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 nonferrous metals and industrial supplies. **Proceeds**—For working capital. **Office**—285 Marietta St., N. W., Atlanta. **Underwriters**—Wyatt, Neal & Waggoner, and Robinson-Humphrey Co., Inc., Atlanta.

Turbodyne Corp.
March 2, 1962 filed 127,500 common. **Price**—$5. **Business**—Research, development and production and overhauling of gas turbine engines. **Proceeds**—For debt repayment, research and development, a new plant and working capital. **Office** — 1346 Connecticut Avenue, N. W., Washington, D. C. **Underwriter**—Sandkuhl & Co., Inc., N. Y.

U-Tote'm of West Florida, Inc.
Aug. 13, 1962 ("Reg. A") 50,000 common. **Price**—$4. **Business**—Sale of groceries, drugs and general merchandise. **Proceeds**—For expansion, inventories and working capital. **Office**—4609 Bee Ridge Rd., Sarasota, Fla. **Underwriter**—Givens & Co., Inc., Miami.

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.

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.

U-Tell Corp.
Sept. 18, 1961 ("Reg. A") 33,097 common. **Price** — $5. **Business** — Operation of a discount department store. **Office**—3629 N. Teutonia Ave., Milwaukee, Wis. **Underwriter** — Continental Securities Corp., Milwaukee, Wis. **Offering**—Temporarily postponed.

Valu-Rack, Inc.
May 4, 1962 filed 200,000 common, of which 100,000 are to be offered by company and 100,000 by stockholders. **Price** — $5. **Business** — Wholesale distribution and retail merchandising of health and beauty aids, housewares, kitchenwares, wearing apparel and other goods. **Proceeds**—For debt repayment. **Office**—2925 S. San Pedro St., Los Angeles. **Underwriter**—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, catalogues and other printed material. A subsidiary publishes photography books. **Proceeds**—For expansion, debt repayment and other corporate purposes. **Office** — 915 Broadway, N. Y. **Underwriter**—Searight, Ahalt & O'Connor, Inc., N. Y. **Offering**—Indefinitely postponed.

Video Color Corp.
April 6, 1962 filed 1,000,000 common. **Price**—$1.15. **Business**—Development, manufacture and distribution of picture tubes. **Proceeds**—For equipment, inventories and working capital. **Office**—729 Centinela Blvd., Inglewood, Calif. **Underwriter**—Naftalin & Co., Inc., Minneapolis.

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. (9/10-14)**
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., Bayside, N. Y. **Underwriter**—First Philadelphia Corp., N. Y.

● **Welsh Panel Co. (9/10-14)**
March 30, 1962 filed 110,000 common. **Price**—$7. **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., Auroca, 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 November.

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.

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.
March 5, 1962 filed 100,000 common. **Price** — By amendment (max. $6.50). **Business**—Processing and manufacturing of aluminum building products. **Proceeds**—For a new building and equipment. **Office**—1650 Howard St., Lincoln Park, Mich **Underwriter**—F. J. Winckler & Co., Detroit. **Offering**—Expected sometime in October.

Work Wear Corp.
Mar. 26, 1962 filed 130,000 common. **Price**—By amendment (max. $27). **Business** — Manufacture and sale of work clothing. Company is also engaged in industrial laundering and garment rental. **Proceeds**—For debt repayment, acquisitions and working capital. **Office** — 1768 E. 25th St., Cleveland. **Underwriter**—Hornblower & Weeks, N. Y. **Offering**—Temporarily postponed.

World Scope Publishers, Inc.
July 31, 1961 filed 100,000 common shares and $350,000 of 6% senior conv. subord. debentures due 1972. **Price**—For stocks: $6; for debentures $90. **Business**—Publishing of encyclopedias and other reference books. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—290 Broadway, Lynbrook, N. Y. **Underwriter**—Standard Securities Corp., N. Y. **Note**—This registration will be withdrawn.

● **Worth Financial Corp. (9/24-28)**
Mar. 22, 1962 filed 61,000 common. **Price**—$5. **Business**—Financing of commercial accounts receivable. **Proceeds**—For general corporate purposes. **Office**—114 E. 40th St., N. Y. **Underwriter** — D. A. Bruce & Co., N. Y.

Wulpa Parking Systems, Inc.
June 7, 1962 ("Reg. A") 50,000 common. **Price**—$4. **Business**—Company plans to manufacture and operate in the U. S. a parking device called the "Wulpa Lift." **Proceeds**—For manufacture, purchase or lease of locations and working capital. **Office**—370 Seventh Ave., N. Y. **Underwriter**—I. R. E. Investors Corp., Levittown, New York. **Offering**—Imminent.

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.

Issues Filed With SEC This Week

★ **Aiken Savings Trust**
Aug. 22, 1962 filed 100,000 shares of beneficial interest. **Price**—$10. **Business**—Company plans to qualify as a real estate investment trust. **Proceeds**—For investment. **Address**—Florence, S. C. **Underwriter**—None.

★ **Argyle Publishing Corp.**
Aug. 21, 1962 ("Reg. A") 30,000 common. **Price**—$1. **Business**—Company plans to publish "The LP/Stereo Record Guide Tape Review" and engage in general publishing. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office** — 298 Fifth Ave., N. Y. **Underwriter**—None.

★ **Arizona Public Service Co.**
Aug. 24, 1962 filed 676,220 common. **Price**—By amendment (max. $30). **Business**—Production, purchase and sale of electricity, and the purchase and sale of natural gas. **Proceeds** — For repayment of loans. **Office** — 501 South Third Ave., Phoenix. **Underwriters**—First Boston Corp. and Blyth & Co., Inc., N. Y.

★ **Clark Semiconductor Corp.**
Aug. 22, 1962 filed $153,045 of 5% subord. debentures due 1967 and 166,500 common shares to be offered in units of $170.05 of debentures and 185 shares. **Price**—$220 per unit. **Business**—Production of very high frequency power transistors. **Proceeds**—For debt repayment and other corporate purposes. **Office** — Walnut Ave., Clark, N. J. **Underwriter**—None.

★ **Hawaiian Electric Co., Ltd.**
Aug. 23, 1962 filed 315,730 common to be offered for subscription by stockholders on the basis of one new share for each ten shares held of record Sept. 12, 1962. **Price**—By amendment. **Proceeds**—For expansion. **Office**—900 Richards St., Honolulu. **Underwriter**—None.

★ **I. P. D. Financial Corp.**
Aug. 23, 1962 filed 300,000 common. **Price**—$4. **Business**—Company plans to furnish equity capital to business concerns, make loans and assist in arranging mergers and corporate financing. **Proceeds**—For working capital and other corporate purposes. **Office**—200 W. 57th St., N. Y. **Underwriters**—J. J. LeCort Associates, Inc. and Harris, Clare & Co., Inc., N. Y.

★ **Idah-Best, Inc.**
Aug. 3, 1962 ("Reg. A") $50,000 of certificates of indebtedness. **Price** — At par. **Business** — A cooperative marketing association engaged in marketing of eggs. **Proceeds**—For debt repayment. **Office**—523 Main St., Caldwell, Idaho. **Underwriter**—None.

★ **Iowa Southern Utilities Co. (9-/25)**
Aug. 22, 1962 filed $4,900,000 of first mortgage bonds due 1992. **Proceeds**—To redeem a like amount of outstanding 5¾% first mortgage bonds due 1987. **Office**—300 Sheridan Ave., Centerville, Iowa. **Underwriters**—(Competitive). Probable bidders: White, Weld & Co.; Halsey, Stuart & Co. Inc.; Shields & Co. **Bids**—Expected Sept. 25 (11 a.m. CDST) at Northern Trust Co., 50 So. LaSalle St., Chicago. **Information Meeting** — Aug. 21, 1962 (11 a.m. CDST) at the Middlewest Service Co., 21st floor, 20 N. Wacker Dr., Chicago.

★ **Larsen Co.**
Aug. 27, 1962 filed 103,638 common. **Price**—By amendment (max. $11.50). **Business**—Processing and marketing of canned and frozen vegetables. **Proceeds**—For selling stockholders. **Office**—520 N. Broadway, Green Bay, Wis. **Underwriter**—Robert W. Baird & Co., Inc., Milwaukee.

★ **Little Theatre, Inc.**
Aug. 17, 1962 ("Reg. A") 5,880 common. **Price**—$50. **Business**—Production of threatrical presentations. **Proceeds**—For mortgage payment, construction and working capital. **Office**—120 E. 56th St., N. Y. **Underwriter**—None.

★ **Midwestern Corp.**
Aug. 23, 1962 filed 180,000 common and 15-year warrants to purchase 36,000 common to be offered in units

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consisting of one share and one-fifth warrant. **Price**—$18 per unit. **Business**—A holding company for a legal reserve life insurance concern. **Proceeds**—To purchase shares of the subsidiary and for working capital. **Office**—75 Public Sq., Cleveland. **Underwriters**—Westheimer & Co., Cincinnati, and Hartzmark & Co., Inc., Cleveland.

★ Mosaic Fabrications, Inc.
Aug. 20, 1962 ("Reg. A") 120 common. **Price**—$350. **Business**—Development, design and manufacture of fiber optic components. **Proceeds**—For equipment, research and development and working capital. **Office** — 205 Chapin St., Southbridge, Mass. **Underwriter**—None.

★ National Blank Book Co.
Aug. 29, 1962 filed 160,000 common. **Price**—By amendment. **Business**—Production of blank books, loose leaf devices, forms etc. **Proceeds**—For selling stockholders. **Office**—Water St., Holyoke, Mass. **Underwriter**—Blyth & Co., Inc., N. Y.

★ Poulsen Insurance Co. of America
Aug. 27, 1962 filed 100,000 common. **Price**—By amendment (max. $10). **Business**—Writing of group and franchise forms of accident, sickness and life insurance in the Midwest. **Proceeds**—For debt repayment and expansion. **Office**—Executive Plaza, Park Ridge, Ill. **Underwriter**—A. C. Allyn & Co., Chicago.

★ Red-O-Lier Corp.
Aug. 27, 1962 filed 100,000 class A common. **Price**—$3.25. **Business**—Distribution of electrical supplies and equipment to commercial and industrial users. **Proceeds**—To finance additional inventories and accounts receivables. **Office**—577 Courtland Ave., N. Y. **Underwriter**—Crosse & Co., Inc., N. Y.

★ Rimak Electronics, Inc.
Aug. 15, 1962 ("Reg. A") $300,000 of 6% subord. convertible notes. **Price**—$5,000 per note. **Business**—A contract manufacturer for the electronics, guided missile and aircraft industries. **Proceeds**—For debt repayment and other corporate purposes. **Office**—10929 Vanowen St., North Hollywood, Calif. **Underwriter**—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif.

★ Tennessee Gas Transmission Co. (9/11)
Aug. 22, 1962 filed 225,000 cum. preferred shares ($100 par). **Price**—By amendment. **Business**—Company owns and operates pipe line systems for transportation of natural gas. A subsidiary produces, refines and markets petroleum and petroleum products. **Proceeds**—For debt repayment. **Office**—Tennessee Bldg., Houston. **Underwriters**—Stone & Webster Securities Corp. and White, Weld & Co. Inc. (jointly).

★ Texas Gas Producing Co.
Aug. 28, 1962 filed $1,000,000 of 5¾% subord. conv. debentures due 1974 and warrants to purchase 30,000 common shares to be offered for sale in units consisting of one $100 debenture and three warrants. **Price**—$100 per unit. **Business**—Production of crude oil and natural gas. **Proceeds** — For debt repayment, expansion and working capital. **Office**—721 Meadows Bldg., Dallas. **Underwriter** — Equitable Securities Corp., Nashville, Tenn.

★ Thunder Mountain Skiing, Inc.
Aug. 21, 1962 ("Reg. A") 5,000 common. **Price**—$10. **Business**—Development of a ski and recreation area. **Proceeds** — For equipment, construction and working capital. **Office**—4 Putnam Hill, Greenwich, Conn. **Underwriter**—None.

★ Universal Capital Corp.
Aug. 28, 1962 filed 1,500,000 common. **Price**—$1. **Business**—Company plans to establish or acquire control of other companies, principally those in life insurance field. **Proceeds**—For general corporate purposes. **Office**—318 N. St. Paul St., Dallas. **Underwriter**—None.

★ Wyle Laboratories
Aug. 27, 1962 filed $2,500,000 of conv. subord. debentures due 1977. **Price**—By amendment. **Business**—Company provides various services and products to the aerospace industry. **Proceeds**—For debt repayment and general corporate purposes. **Office**—128 Maryland St., El Segundo, Calif. **Underwriters**—Kidder, Peabody & Co., N. Y. & Mitchum, Jones & Templeton, Inc., Los Angeles.

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 18 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.

★ Consolidated Edison Co. of New York, Inc. (10/2)
Aug. 29, 1962 it was reported that this utility plans to sell $75,000,000 of first mortgage bonds due 1992. **Proceeds**—To refund a like amount of 5¼% first and refunding mortgage bonds due Dec. 1, 1989. **Office** — 4 Irving Place, N. Y. **Underwriters**—(Competitive). Probable bidders: Morgan Stanley & Co.; First Boston Corp.-Halsey, Stuart & Co. Inc. (jointly). **Bids**—Expected Oct. 2.

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 Allegheny Ave., Philadelphia. **Underwriter**—To be named. The last rights offering in December 1957 was underwritten by Eastman Dillon, Union Securities & Co., New York.

Georgia Power Co. (11/7)
On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer $23,000,000 30-year first mortgage bonds in November. **Office**—270 Peachtree Bldg., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; Harriman Ripley & Co., Inc.; Blyth & Co., Inc.; Kidder, Peabody & Co.-Shields & Co. (jointly); Equitable Securities Corp.-Eastman Dillon, Union Securities & Co. (jointly); First Boston Corp.; Lehman Brothers; Morgan Stanley & Co. **Bids**—Expected Nov. 7. **Registration**—Scheduled for Oct. 5.

Georgia Power Co. (11/7)
On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer $7,000,000 of preferred stock in November. **Office**—270 Peachtree Bldg., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders: Blyth & Co., Inc.; First Boston Corp.; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.-Equitable Securities Corp. (jointly); Lehman Brothers. **Bids**—Expected Nov. 7. **Registration**—Scheduled for Oct. 5.

Illinois Power Co.
Feb. 28, 1962 it was reported that this utility expects to sell $25,000,000 of debt securities in late 1962 or early 1963. **Office**—500 South 27th St., Decatur, Ill. **Underwriters**—To be named. The last sale of bonds on May 21, 1958 was made through First Boston Corp. Other bidders were: Halsey, Stuart & Co. Inc.; White, Weld & Co.-Merrill Lynch, Pierce, Fenner & Smith, Inc. (jointly); Eastman Dillon, Union Securities & Co.; Harriman Ripley & Co., Inc.-Glore, Forgan & Co. (jointly).

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 March 31, 1963. **Business**—The bank was incorporated to 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.
Aug. 28, 1962 it was reported that this road is considering the issuance of $25,000,000 of collateral trust bonds in November, subject to ICC approval. **Office**—220 E. 42nd St., New York. **Underwriters**—(Competitive). Probable bidders: White, Weld & Co.-Salomon Brothers & Hutzler (jointly); Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.

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.

★ Montana-Dakota Utilities Co.
Aug. 28, 1962 it was reported that this company plans to sell $12,000,000 of 25-year first mortgage bonds in late 1962 or early 1963. **Proceeds**—For construction. **Office**—831 Second Ave., S., Minneapolis. **Underwriters**—To be named. The last bond issue was won at competitive bidding on Dec. 3, 1958 by Eastman Dillon, Union Securities & Co. Other bidders were: Blyth & Co., Inc.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co. Inc.; Equitable Securities Corp.

National Airlines, Inc.
May 8, 1961, it was reported that the CAB had approved the company's plan to sell publicly 400,000 shares of Pan American World Airway's Inc., subject to final approval of the Board and the SEC The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Price** — About $20 per share. **Proceeds**—To repay a $4,500,000 demand loan, and other corporate purposes. **Office**—Miami International Airport. Miami 59, Fla. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York.

Natural Gas Pipeline Co. of America
June 12, 1962 it was reported that this subsidiary of Peoples Gas Light & Coke Co., plans to sell $35,000,000 of senior securities later this year. **Business**—Operation of two natural gas pipeline systems extending from Texas to the Chicago metropolitan area. **Proceeds**—For expansion. **Office** — 122 So. Michigan Ave., Chicago. **Underwriter**—Dillon, Read & Co. Inc., New York City.

Nevada Northern Gas Co.
Feb. 28, 1962 it was reported that this subsidiary of Southwest Gas Corp., plans to sell $2,000,000 of common stock. **Office**—2011 Las Vegas Blvd., South, Las Vegas, Nev. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

New England Power Co.
May 8, 1962 it was reported that this utility plans to sell $12,000,000 of 30-year first mortgage bonds in November, 1962. **Proceeds**—For debt repayment and construction. **Office**—441 Stuart St., Boston. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. 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 March 31, 1963. **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.

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. (9/18)
Aug. 21, 1962 it was reported that directors had authorized the issuance of 500,000 additional common shares to stockholders on the basis of one new share for each nine held of record Sept. 18. **Proceeds**—For debt repayment, and expansion. **Office**—861 Sixth Ave., San Diego, Calif. **Underwriter**—To be named. The last rights offering on Nov. 4, 1959 was handled by 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 bnod sale, previously scheduled for Aug. 28, has been postponed.

Southern Electric Generating Co. (11/28)
Aug. 21, 1962 it was reported that this subsidiary of the Southern Co. plans to sell $7,500,000 first mortgage bonds due June 1, 1992. **Office** — 600 N. 18th Street, 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 Electric Generating Co. (11/28)
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" saiding ship cruises. **Proceeds**—For acquisition of additional vessels. **Office**—P. O. Box 918, Nassau, Bahamas. **Underwriter**—J. I. Magaril Co., Inc., N. Y.

Committee Members Named To Study Federal Budget

Mr. Plumley, President of the Chamber of Commerce of the U. S., announces the appointment of business leaders and fiscal experts serving on a special committee to study methods of improving the Federal budget.

Ladd Plumley, President of the Chamber of Commerce of the United States, announced this week that he has appointed more than a dozen business leaders and fiscal experts to serve on a special Chamber committee to study ways for improving the Federal budget.


Ladd Plumley

Mr. Plumley, Board Chairman and President of the State Mutual Life Assurance Company of America, noted that his creation of the committee complied with a request by President Kennedy during a White House meeting July 13.

At this time, Mr. Plumley was delivering to the President the report of a similar Chamber committee, also set up at presidential request, which studied the balance of payments problem.

The purpose of the new budget committee, which held its first meeting in Washington Aug. 15-16, is to examine the make-up of the Federal budget submitted to Congress each January and make recommendations for its improvement.

The findings and recommendations of the new committee will be kept confidential until submitted to President Kennedy.

Composition of Committee

Appointed Chairman of the group was Edwin P. Neilan, Chairman of the Board, Bank of Delaware, Wilmington, Del. Mr. Neilan is also a Chamber Vice-President and Chairman of the Chamber's Government Operations and Expenditures Committee.

The Membership of the Budget Committee follows:

Edwin P. Neilan, *Chairman*
Chairman of the Board, Bank of Delaware, Wilmington, Del.

Daniel W. Bell,
American Security & Trust Co., Washington, D. C.

Steve H. Bomar,
Senior Vice-President and Secretary - Treasurer, Trust Company of Georgia, Atlanta, Ga.

William Chodorcoff,
Executive Vice - President, The Prudential Insurance Company of American, Newark, N. J.

M. C. Conick,
Executive Partner, Main & Co., Pittsburgh, Pa.

Archie K. Davis,
Chairman of the Board, Wachovia Bank & Trust Co., Winston-Salem, N. C.

Lyle Seaver Garlock,
Vice-President, Eastern Air Lines, Inc., Washington, D. C.

Robert Gray,
Vice-President, Hill & Knowlton, Inc., Washington, D. C.

George Y. Harvey,
Director Bureau of Governmental Research, Univ. of Missouri, Columbia. Mo.

Samuel H. Hellenbrand,
Director of Taxes, New York Central System, New York, N.Y.

Theodore Herz,
Partner, Price Waterhouse and Company, Washington, D. C.

Norman T. Ness,
Vice-President and Secretary, Anderson, Clayton & Company, Houston, Texas

Ralph W. E. Reid,
A. T. Kearney and Company, Washington, D. C.

Murray L. Weidenbaum,
Corporate Economist, The Boeing Company, Seattle, Wash.

Lucius Wilmerding,
Princeton, N. J.

Television Panel on Family Budgeting

Lindsay C. Hamilton, President, and Raymond H. Godfrey, Chairman of Financial Planning Corporation, and directors of Godfrey, Hamilton, Taylor & Co. Incorporated, New York, on September 2nd, will appear on "Can We Afford Tomorrow," a regular Sunday telecast sponsored by the Invest in America Committee and the Federal Reserve Bank. Mr. Hamilton will discuss budgeting and planning, and Mr. Godfrey, insurance problems.

IDAC Offering Finance Courses

TORONTO, Canada—The Investment Dealers' Association of Canada will offer two courses in the "Principles and Practices of Investment Finance" in Canada.

Course I is designed to enable the student to look at investment and investment securities first through the eyes of the dealer and then through the eyes of the investor. An important part of the work of Course I is the answering of six assignments which are sent in for marking. The first mailing of Course I will be sent out about September 21st. The course will conclude with an examination on May 30, 1963. Course and examination fee is $50.

Course II is a practical course designed to assist member firms in training competent securities salesmen. It will include An Accounting Approach to Statement Analysis; Corporation Finance; Federal, Provincial and Municipal Securities; Securities Salesmanship; and Investment Policy. The heart of Course II is the solving of problem cases which are attached to each mailing. The first mailing will be sent out about September 15th; the course will conclude with two three-hour examinations on May 30, 1963. Course and examination fee, $90.

Further information may be obtained from the Association, 55 Yonge Street, Toronto.

Reber, Mundt Officers

BUFFALO, N. Y.—Sally L. Traeger is now President of Reber, Mundt & Co., Inc., 314 Ellicott Square. Samuel L. Traeger is Treasurer, and Marvin M. Green, Secretary.

Middlesex Financial

WALTHAM, Mass. — Middlesex Financial Management Corporation is engaging in a securities business from offices at 225 Wyman Street. Officers are Robert L. Johnson, President and Treasurer; James V. Fetchero and John J. Carey, Vice-Presidents; John J. McLaughlin, Assistant Vice-President; and Eugene M. Nawrocki, Clerk.

Walston Branch

ST. PETERSBURG, Fla.—Walston & Co., Inc. has opened a branch office in temporary quarters at 20 Beach Drive North. The permanent address, to which Walston will move later on, will be 242 Beach Drive North.

S. H. Cutter Opens

NEWTON CENTRE, Mass.—Saul H. Cutter is conducting a securities business from offices at 11 Shute Path, under the firm name of Cutter & Company. Mr. Cutter was formerly with Freeman & Co.

E. F. Doherty Forms Co.

ALBUQUERQUE, N. Mex. — Edward F. Doherty is conducting a securities business from offices at 117 Second Street, S. W., under the firm name of Doherty & Co. Mr. Doherty was formerly with J. A. Hogle & Co., and Minor, Mee & Co.

J. Paller Co. Formed

PHILADELPHIA, Pa.—Jack Paller & Co. of Philadelphia, Inc., has been formed with offices at 4906 North Eighth Street to engage in a securities business. Officers are Jack Paller, President and Treasurer, and Stanton S. Oswald, Secretary.

A Preliminary Evaluation of The Wharton School Study

Continued from page 10

thoroughly lacking in documentation.

Once having determined to wander from its appointed course, however, the Wharton School then proceeds to ignore some very material aspects of the mutual fund industry, including some major reasons for its substantial growth in size. For example, the Wharton School Study offers no comprehensive description of:

—the changing patterns of securities ownership in our economy, which have fostered an extraordinary increase in the numbers of average (as opposed to very large) investors, both through investment in mutual fund shares as well as direct investment in individual securities.

—the availability of appropriate investment media to meet the needs and objectives of these new investors, and to serve them on a sound, effective and economic basis.

—the striking institutionalization of the savings-investment process, through savings (and savings and loan) associations, bank common trust funds and corporate pension and profit-sharing funds, as well as mutual funds.

We believe that an analysis of these areas by the Wharton School would have strongly reinforced our industry's conviction that we play a vital role in the growing American economy, by providing at an economic price a service for which there is an increasing public need and demand.

Another deficiency of the Study, in our view, is the frequent abuse of proper statistical analysis, apparently caused by lack of understanding of the operation of our industry. Without going into exhaustive detail at this time, we question the soundness of the Wharton School's use of statistical data in such areas as comparative investment performance, the inflow of money into mutual funds, (as oposed to capital appreciation), and the use of various unsound industry stock averages in an appraisal of mutual fund investment policy.

In conclusion, we emphasize that, despite the criticisms of the Wharton School, the Report includes no evidence whatever of wrongdoing in our industry, nor does it allege that any of the countless standards set forth in the Investment Company Act of 1940 have been violated. Indeed, most of the critical questions raised by the Wharton School pertain to facts that have been fully disclosed on a regular basis to the Securities and Exchange Commission and to the shareholders of the mutual funds.

* * *

II

Specific Comments

The preceding general comments refer to some of the major questions we raise as to the adequacy of the Wharton School Study. In addition, of course, we have a large number of serious reservations concerning specific statements in the Study. Some of our thoughts in this area are summarized below. The principal quotations are taken directly from the Wharton School letter to the Securities and Exchange Commission, dated Aug. 9, 1962.

* * *

"The performance of mutual funds . . . did not differ appreciably from what would have been achieved by an unmanaged portfolio."

To begin with, the fund performance is compared, not with an "unmanaged portfolio," but with a market index, weighted in terms of the funds' holdings of common stocks, preferred stocks, corporate bonds, government securities and other assets.

This is not an apt comparison. Far more significant would have been a comparison of the actual results achieved by a large and random sampling of the accounts of small individual investors, and an appraisal of the comparative performance of other savings and investment media in which the mutual fund shareholder's resources could have been put to work had it *not* been his decision to purchase mutual fund shares.

It is noteworthy that the index chosen by the Wharton School (the Standard & Poor's Composite Index), while it consists of 500 stocks, is dominated by only seven major issues[1]—comprising one-third of the value of the index—and therefore has substantially less investment diversification than the typical mutual fund. Furthermore, the Standard & Poor's Composite Index was the best-performing market average studied by the Wharton School in the period chosen (Jan. 1, 1953-Sept. 30, 1958), outperforming the SEC Index, the Dow-Jones Industrial Average and the Dow-Jones Composite Average. Also, it is of some significance that in the period studied, both the average common stock fund and the average balanced fund outperformed, on a fractional basis, the comparable figures for the Standard & Poor's indices. More recent evidence indicates that the fund performance relative to the Standard & Poor's average has improved even further in the three calendar years (1959-1961) following the termination date of the study.

What were the actual results achieved by mutual fund shareholders during the period studied by the Wharton School?

—As to individual fund performance, the Wharton School reported that, *"every fund recorded an increase during the 5¾ years in adjusted net asset values . . . and the average cumulative increase (assuming annual reinvestment of all distributions) was about 100% for the period."*

—As to the aggregate performance of the mutual fund industry, comprehensive figures prepared by the Investment Company Institute show that mutual fund assets increased from $3.9 billion to $11.8 billion. During this period, mutual fund shareholders saw their combined investment program increase by $3.5 billion as a result of capital appreciation; they also received cash dividends of $1.5 billion from investment income, and cash distributions of $1.1 billion from realized capital gains.

* * *

"The turnover rate for the stock holdings of all funds combined was higher than the comparable rate on the New York Stock Exchange for all stocks listed in that market."

The fact is that in the period studied, the mutual funds had an average annual turnover rate of 15.2% for equity securities, compared to a 14.4% for New York Stock Exchange issues, according to the Wharton School report. We believe this extremely small difference lacks major significance, particularly in view of the fact that the New York Stock Exchange (a) includes large blocks of highly inactive preferred stock issues in its listing figures and (b) does not include any "off-board" trading in its reported volume figures. These statistical limitations indicate that the reported New York Stock Exchange turnover figures are materially understated.

* * *

On Sept. 30, 1958 the funds' holdings of United States common stocks were equal to 3½% of the value of all stocks listed on the New York Stock Exchange. (The corresponding figure was over 4½% as of Dec. 31, 1961.)"

We believe this small "share of the market" casts considerable doubt on the Wharton School's next statement, that "the growth of the funds' net purchases of common stock . . . has probably contributed significantly to the increase in stock prices over the past decade." With such a small share of the total common stocks outstanding, and with fund net purchases of stocks generally running under 5% of total Exchange volume, mutual funds clearly must have been a relatively minor factor contributing to this rise in stock prices, and we therefore are in full accord with the statement of the Wharton School that "corporate pension funds, other institutions and individuals" have played a major role in this rise, along with "other post-World War II (economic) developments affecting the demand for and supply of stock issues."

* * *

We found the statistical evidence relating mutual fund net purchases to daily and month-to-month market moves to be at best inconclusive, and we do not agree in any respect that mutual funds "as a whole may to some extent have the ability to fulfill their own market predictions" (especially in view of the obvious fact that mutual funds do not buy and sell "as a whole"). Rather, we believe that the statistics in the study give some indication that many of the major market moves have been (in the Wharton School's words) "partially forecast" by the funds.

As to whether the mutual funds moderate or accentuate short-term market price fluctuations, the Wharton School's findings are somewhat confusing. However, we agree with their statement that, "the relatively stable inflow of money into these funds and their extensive use of limit orders . . . may be considered to exert some stabilizing influence."

* * *

"Outright control of portfolio companies by these organizations (mutual funds) is a rarity and is confined mainly to small portfolio companies . . . neither the extent nor character of their influence appears to be such as to warrant serious concern."

We agree completely with this statement.

* * *

"The effective (management) fee rates charged mutual funds tend to cluster heavily about the traditional rate of one-half of 1% per annum of average net assets."

This statement is correct and, of course, all investors and prospective investors are informed of the fund's fee rate in the mutual fund prospectus, which they must receive before buying shares, as well as in the reports and proxies they receive after such purchase.

* * *

"For comparable asset levels, advisory fee rates charged mutual funds tend to be substantially higher than those charged by the same advisers to the aggregate of their clients other than investment companies."

While there may be some limited statistical validity to this statement, it is also a fact (as indicated by the Wharton School survey) that on an individual basis, advisory fees for investment counsel accounts are far higher in *amount* (although lower in *rate*) than those paid by mutual fund shareholders.

For example:

—The Wharton School study shows that the average investment counsel account managed by investment advisory firms was about $795,000 at the end of 1960. Based on the approximate median advisory fee of about 25/100ths of 1%, indicated by the Wharton School, such an individual investment counsel account would pay an annual management fee of $1,987.50.

—On the other hand, the average mutual fund account at the end of 1960 was $3,500. Based on the median fee rate of 50/100ths of 1% annually, such an account would pay an annual management fee of $17.50, or about the cost of his morning newspaper.

We submit that the difference in fee rate, in view of the enormous difference in the size of the average individual account and the average fund account, is an entirely reasonable one. Further, we fully agree with the Wharton School finding that "individual mutual fund shareholders do *not* pay higher management fee rates than they would incur through other institutional investment channels." However, we question the extent to which such "channels" even exist for an investor with $1,000, $5,000, or even $50,000 of capital. Service to these investors is one of the mutual fund industry's unique contributions to our nation's economy.

* * *

"Special structural characteristics of the mutual fund industry, with an external adviser closely affiliated with the management of the mutual fund, tend to weaken the bargaining position of the mutual fund in the establishment of advisory fee rates."

We take vigorous exception to this statement, in view of the fact that such "bargaining" is neither contemplated by nor provided for in the Investment Company Act of 1940. Each prospective investor has complete freedom of choice to select a fund with any of a wide variety of fee rates, and, through his purchase of shares in a given fund, effectually agrees to pay the rate of management fee charged. Further, in future years he often has the opportunity to approve the management contract and the rate of fee. It is noteworthy that there has never been a major instance of fund shareholders failing to give overwhelming approval to such contracts.

* * *

"The report raises the question whether there may be a conflict of interest between a mutual fund's shareholders and the fund's investment adviser as regards the effort that should be devoted to selling shares."

We believe the funds' shareholders gain many benefits through the growth of the fund, including a lower rate of general fund operating expenses, larger research and advisory teams as the dollar amount of management fees increase, and (in certain cases) lower effective rates of management fee through "sliding scale" fee reductions. If the Wharton School has any evidence that sales efforts dilute management efforts (and hence impair performance), we failed to locate it in the Study.

* * *

"The disposition of brokerage business by mutual funds is also a source of possible conflict of interest between controlling management groups and fund shareholders."

While *possible* conflicts may or may not exist in this area, we believe that "reciprocal" brokerage business has, in general, been soundly handled in the best interests of the fund and its shareholders. Further, such reciprocal arrangements are generally disclosed in the fund prospectus. We also believe that the investment adviser for the fund (presumably this is the "controlling management group" described by the Wharton School) shares a community of interest with the fund shareholders, in that the adviser can only survive, grow and prosper to the extent that it provides good investment results for the fund's shareholders.

* * *

"The sale of mutual fund shares by broker-dealers is the most important factor influencing the brokerage allocations of the numerous mutual fund groups selling their shares in volume through independent dealers."

We do not agree with this conclusion, and emphasize that the ability of a broker to execute transactions efficiently and at the best price is the principal factor. Given this ability, of course, it is a general industry practice for a major portion of the brokerage business to be placed with dealers who distribute the shares of the fund. The Wharton School concludes that "the widespread use of give-up transactions suggests that the structure of regulated commission rates on brokerage transactions may be significantly lacking in flexibility with respect to large transactions." The fact is that, irrespective of give-up transactions, the commission rates are determined by the New York Stock Exchange, not by the mutual funds, and these commission rates are not reduced for large volume transactions.

*A statement by Mr. Schimpff at the Investment Company Institute, New York City, Aug. 28, 1962.

[1] American Tel. & Tel., International Business Machines, General Motors, Standard Oil (N. J.), duPont, Texaco, General Electric.

Air Reduction Debs. Offered

Kidder, Peabody & Co. and Dean Witter & Co., New York City, are joint managers of an underwriting syndicate which is offering publicly an issue of $45,000,000 Air Reduction Co., Inc. 3⅞% convertible subordinated debentures due Aug. 15, 1987. The debentures are offered at 100%, plus accrued interest from Aug. 15, 1962.

Net proceeds from the financing will be added to the company's general funds and will be available for various corporate purposes. These will include repayment of short-term bank loans and notes payable to banks, payment of portion of long-term debt coming due in 1963-66, and expenditures in connection with modernization and expansion of facilities. Capital expenditures are estimated to total approximately $25,000,000 to $30,000,000 in 1962 and $30,000,000 to $36,000,000 in 1963.

The debentures are convertible into common stock, unless previously redeemed, at a conversion price of $62½ per common share, subject to adjustment. The debentures are entitled to an annual sinking fund, beginning in 1977, sufficient to retire, prior to maturity not less than 75% of the debentures outstanding on June 30, 1977 at 100% of the principal amount. At the option of the company, the debentures are to be redeemable, starting in 1962, at redemption prices ranging from 103⅞% to par for the last five years.

Air Reduction of 150 E. 42nd St., New York City is a major domestic producer of oxygen, acetylene, nitrogen, argon, rare gases, welding and cutting equipment, vinyl acetate, carbon and graphite products, fixed composition resistors, carbon dioxide and medical gases and related equipment.

J. E. Pritchett Opens

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Jerry E. Pritchett is conducting a securities business from offices at 10920 Wilshire Boulevard.

Open Securities Office

ROXBURY, N. Y.—Barbara Santare and Robert Santare are engaging in a securities business from offices at 610½ Oceanview Avenue.

The State of TRADE and INDUSTRY

Continued from page 14

1961. Pittsburgh and Louisville terminals reflected year-to-year tonnage gains of 13.9 and 11.9%, respectively. Two other terminal cities showed gains of more than 10%. Terminals in St. Louis reflected the largest year-to-year tonnage decrease — down 11.8%, followed by Portland terminals — down 10.8%.

Compared with the immediately preceding week, 24 metropolitan areas registered increased tonnage, while 10 areas reported decreases.

Lumber Output Rises 0.9% Above 1961 Level

Lumber production in the United States in the week ended Aug. 18, totaled 231,184,000 board feet compared with 235,208,000 in the prior week according to reports from regional associations. A year ago the figure was 229,029,000 board feet.

Compared with 1961 levels, output advanced 0.9%, shipments 1.5% and new orders 5.6%.

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

	Aug. 18, 1962	Aug. 11, 1962	Aug 19, 1961
Production	231,184	235,208	229,029
Shipments	230,625	228,002	227,145
New Orders	229,169	235,462	216,925

New High Made in Electric Output

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Aug. 25, was estimated at 17,320,000,000 kwh., according to the Edison Electric Institute. Output was 482,000,000 kwh. above that of the previous week's total of 16,838,000,000 kwh. and 161,000,000 kwh. above the previous high established last Aug. 11. The Aug. 25 total output was 1,830,000,000 kwh. or 11.8% above that of the comparable 1961 week.

Business Failures Increase Mildly

Recovering from the previous week's downturn, commercial and industrial failures moved up to 302 in the week ended Aug. 23 from 285 a week earlier, reported Dun & Bradstreet, Inc. However, casualties remained considerably below the comparable 1961 level of 352 and were off slightly from the 315 occurring in the similar week of 1960. Compared with prewar tolls, on the other hand, current business mortality ran 14% higher than the 1939 toll of 264.

Liabilities topped $100,000 for 50 of the week's casualties, a marked increase from 39 of this size in the previous week and from 36 a year ago. Failures of smaller size changed very little from last week, numbering 252 as against 246, while they were down noticeably from the year-ago level of 316.

Manufacturing accounted for the rise during the week, with its toll climbing to 61 from 40. Casualties among retailers and wholesalers held relatively even standing at 143 and 29, respectively. In contrast, slight dips appeared in construction failures, off to 46 from 52, and in commercial services, down to 23 from 27. No industry or trade group had as many casualties as a year ago.

Geographically, most of the week's rebound occurred in the East North Central States where the toll mounted to 72 from 54, in the South Atlantic States, up to 42 from 33, and in New England, up to 24 from 15. Meanwhile, Middle Atlantic casualties were steady at 73, one more than in the prior week, and the only strong decline was in the Pacific States where the toll dropped to 52 from 70. Considerably fewer concerns failed than last year in the Middle Atlantic, West South Central and Pacific Regions. In five areas, mortality held close to 1961 levels and in one area, New England, actually pushed above last year's total for the similar week.

Canadian failures dipped to 36 from 48 in the preceding week but exceeded the 24 reported in the corresponding week of 1961.

July New Business Incorporations Recover From Dip in Prior Month

After slipping to a 15-month low in June, new business incorporation, after adjustment for seasonal variations, turned up 2.3% to 15,247 in July, reported Dun & Bradstreet, Inc. Despite this rebound, the number of new charters continued slightly below year-ago levels for the second month in a row. For the year to date, however, a total of 112,156 new businesses were incorporated, 3.4% more than in the first seven months of 1961.

Three geographic regions accounted for all of the upturn in new charters between June and July: The South Atlantic, West South Central and Pacific States. When seven-month totals are compared for 1962 and 1961, a more general rise prevailed, with gains reported in seven out of nine major areas.

Wholesale Commodity Price Index Dips Fractionally in Latest Week

Inching down this past week, the general wholesale commodity price level on Monday reached the lowest point since Aug. 10, reported Dun & Bradstreet, Inc. Fractional increases in a few commodities were considerably outweighed by strong week-to-week declines in wholesale quotations for lambs, corn and rye.

The Daily Wholesale Commodity Price Index eased to 271.87 (1930-32=100) on Monday, Aug. 27, from 272.54 a week earlier. While slightly above the 271.50 on the comparable day last month, the index was down appreciably from its year-ago level of 273.79.

Wholesale Food Price Index Off Slightly From Prior Week and Year Ago

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., inched down to $5.91 on Aug. 28. This fractional dip of 0.3% brought the index to the lowest level in five weeks, down 1.3% from $5.99 on the similar day last year.

Mild declines were registered at wholesale markets in the quotations for corn, hams, bellies, cottonseed oil, cocoa, beans, steers and hogs. The lower prices in these eight foodstuffs edged out the slight rises prevailing in wheat, rye, oats, barley, beef, butter and potatoes.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Retail Purchases Hold To Good Pace

Although mixed weather led to some easing in consumer buying in the week ended Wednesday, Aug. 22, total retail volume maintained an increase in trade over the similar 1961 period. School apparel purchases continued to give the strongest boost to sales activity, and cool weather spurred interest in home furnishings, hardware, and building materials. While there was the usual seasonal slowing in auto purchases, both new and used car models continued to sell at a considerably quicker pace than at the same time last year.

The total dollar volume of retail trade in the reported week ranged from even to 4% higher than a year ago. Regional estimates varied from comparable 1961 levels by the following percentages: New England and West North Central —3 to +1; Middle Atlantic —2 to +2; West South Central —1 to +3; South Atlantic and East South Central 0 to +4; Mountain and Pacific +2 to +6; East North Central +3 to +7.

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. 18, 1962, compared with the like period in 1961. For the week ended Aug. 11, sales were ahead by 6% from the corresponding 1961 week. In the four-week period ended Aug. 18, 1962, sales advanced 5% over the corresponding period in 1961.

According to the Federal Reserve System department store sales in New York City for the week ended Aug. 18, were 1% higher when compared with the same period in 1961.

Now With E. I. Hagen

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Oreg. — Harold T. Wright has become associated with E. I. Hagen & Co., Inc., American Bank Building. He was formerly with Black & Company, Inc.

DIVIDEND NOTICE

QUALITY

The American Tobacco Company

232ND PREFERRED DIVIDEND

A quarterly dividend of 1½% ($1.50 a share) has been declared upon the Preferred Stock of THE AMERICAN TOBACCO COMPANY, payable in cash on October 1, 1962, to stockholders of record at the close of business September 10, 1962. Checks will be mailed.

J. R. WATERHOUSE
Treasurer

August 28, 1962

© A. T. Co.

DIVIDEND NOTICES

Allegheny Ludlum Steel Corporation

Pittsburgh, Penna.

At a meeting of the Board of Directors of Allegheny Ludlum Steel Corporation held today, August 24, 1962, a dividend of fifty cents (50c) per share was declared on the Common Stock of the Corporation, payable September 29, 1962, to shareowners of record at the close of business on September 7, 1962.

S. A. McCASKEY, JR.
Secretary

ANACONDA

DIVIDEND NO. 217

August 23, 1962

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

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

GOULD NATIONAL

GOULD-NATIONAL BATTERIES, INC.

Manufacturers of a complete line of automotive, industrial and military storage batteries plus mo[illegible] specialties.

A REGULAR QUARTERLY DIVIDEND

of 32½c per share on Common Stock, was declared by the Board of Directors on July 10, 1962 payable September 15, 1962 to stockholders of record on August 31, 1962.

This is our 123rd Common Dividend. A. H. DAGGETT
Chairman

ST. PAUL 1, MINNESOTA

SERVING HOME AND INDUSTRY WITH ESSENTIAL BASIC PRODUCTS

EASTERN GAS AND FUEL ASSOCIATES

DIVIDENDS

COMMON STOCK — A regular quarterly dividend of 40 cents a share, payable September 28, 1962 to shareholders of record September 7, 1962.

4½% CUMULATIVE PREFERRED STOCK — A regular quarterly dividend of $1.12½ a share, payable October 1, 1962 to shareholders of record September 7, 1962.

R. P. TIBOLT
Chairman of the Board and Chief Executive Officer
250 Stuart St., Boston 16, Mass.
August 23, 1962

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

DIVIDEND NOTICES

GEORGE W. HELME COMPANY

9 Rockefeller Plaza, New York 20, N. Y.

On August 29, 1962, a quarterly dividend of 43¾ cents per share on the Preferred Stock, and a dividend of 40 cents per share on the Common Stock, were declared payable October 1, 1962, to stockholders of record at the close of business September 12, 1962.

WM. C. SIMONSON, Secretary

CITY INVESTING COMPANY

980 Madison Ave., New York 21, N. Y.

The Board of Directors of this company on August 22, 1962, declared the regular quarterly dividend of $1.375 per share on the outstanding 5½% Series Cumulative Preferred Stock of the company payable October 1, 1962 to stockholders of record at the close of business on September 18, 1962.

HAZEL T. BOWERS,
Secretary

CSC

COMMERCIAL SOLVENTS
Corporation

DIVIDEND NO. 111

A dividend of twenty cents (20¢) per share has today been declared on the outstanding common stock of this Corporation, payable on September 28, 1962, to stockholders of record at the close of business on September 7, 1962.

H. B. DURBIN
August 27, 1962. *Secretary*

SUNDSTRAND

SUNDSTRAND CORPORATION

DIVIDEND NOTICE

The Board of Directors declared a quarterly cash dividend of 25¢ per share on the common stock, payable September 21, 1962, to shareholders of record September 6, 1962.

G. J. LANDSTROM
Vice President-Secretary

Rockford, Illinois
August 21, 1962

UNITED GAS CORPORATION

SHREVEPORT, LOUISIANA

Dividend Notice

The Board of Directors has this date declared a dividend of forty cents (40¢) per share on the Common Stock of the Corporation, payable October 1, 1962, to stockholders of record at the close of business on September 10, 1962.

B. M. BYRD
August 28, 1962. *Secretary*

UNITED GAS
SERVING THE
Gulf South

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL

WASHINGTON, D. C. — The United States Treasury Department's Bureau of Printing and Engraving more and more is proving to be one of the most popular sight-seeing points in the nation's Capital.

The great presses at the Bureau are daily printing about $29,000,000 of new currency. It is replacement currency for the damaged and worn bills that are constantly being replaced by the banks all over the country.

With a five-day week schedule prevailing at the Bureau, approximately $143,000,000 of brand new replacement bills are being out of the plant every week. Most of the currency—61% is in one dollar bills.

On Wednesday the Bureau of Printing and Engraving quietly observed its 100th anniversary of printing currency and other securities including postage and government stamps from its plant overlooking the Tidal Basin and the Potomac River.

Inflation Makes $20 Bill Popular

What is the second most "popular" bill? "The $20 bill," said a spokesman. "Years ago it was the $10 bill. Perhaps inflation had something to do with it."

Thousands of visitors daily stream through the Bureau to watch much of this production. The visiting hours are from 8 to 11 a.m. and from 12:30 to 2:30 p.m. Monday through Friday.

A total of 606,796 persons went on the guided tour of the Bureau in 1961. The total number in 1962 probably will be greater.

What is the question most people ask when they get ready to start on the money-making tour? "It seems that nearly everybody wants to know if this is a 'sample day'" said a Bureau attache.

The Bureau of Printing and Engraving had a modest inception in August 1862 with two men and four women working in a single room at the Treasury Department. From an employment and Washington standpoint it still is not a tremendous operation.

There are less than 3,000 employees who produce all the nation's currency, postage stamps, and most of the treasury bonds and other financial instruments. At one time there were about 8,400 employees but automation through bigger and more efficient presses and other equipment has caused the number to decline gradually since the end of World War II.

H. J. Holtzclaw, director of the Bureau of Printing and Engraving, said in 1961 the Bureau turned out 26,772,518,060 pieces of U. S. Currency, stamps and other securities having a face value of $283,620,926,935. The astronomical figure approaches our Federal Government debt.

$100,000 Bill Last Issued in 1945

With certain qualifications it might be said that the Bureau prints currency ranging from a $1 bill to a $100,000 bill. However, the last time that a $100,000 bill was printed was in August 1945, a spokesman said.

Many people in this country, judging from the queries received in the Bureau, are under the impression that the Treasury no longer prints $2 bills. Of course they are mistaken.

Director Holtzclaw said that although mottos have long been used on our silver and copper coins, it was only in 1955 that Congress authorized use of a motto on currency. He said the 1957 series of $1 certificates now being printed on the high speed rotary presses were the first to bear the motto "In God We Trust."

All paper currency will eventually be inscribed with this motto. Mr. Holtzclaw said that most of the recommended mottos for inscription on the currency have been religious or patriotic in tone.

Some of these include: "Love Me, Love My Country;" "In God We Trust, So should You;" "Peace;" "God, Liberty and Law;" "Perpetual Union;" "Remember Pearl Harbor," and "He Died for All."

The engraved work produced in the Bureau is one of the best safeguards against counterfeiting. New inks and new processes are constantly being developed by the Bureau to meet the growing counterfeiting challenge and to provide the public with confidence in the securities of the United States.

Director Holtzclaw says that it is costing just a fraction under one cent per note to print the currency, whether it be one dollar bill or a $100 Federal Reserve note. About half of all the currency is printed on flat bed presses, but in due time all will be printed on rotary presses.

Increase in Counterfeiting

While the fine engraved work done by the Bureau of Printing and Engraving is unquestionably a safeguard against the counterfeiter, counterfeiting is on the increase.

The chief of the Secret Service, James J. Rowley, in a report to Secretary of the Treasury Douglas Dillon, recently declared that the counterfeiter is improving his engraving skills and his distribution of bogus money all the time. The Secret Service is a part of the Treasury Department.

At the same time Chief Rowley declared that seven out of every eight counterfeits manufactured were seized by the Secret Service before they could be passed on to the public. He said there was an increase of nearly 14% in the number of arrests last year over the previous year.

Chief Rowley's report to Secretary Dillon showed that 737 persons were arrested the past fiscal year for counterfeiting offenses and 44 counterfeiting plants were seized. Counterfeit currency seized during the past fiscal year amounted to $4,134,916, an all-time high, but only $567,896 of this amount represented a loss to the public.

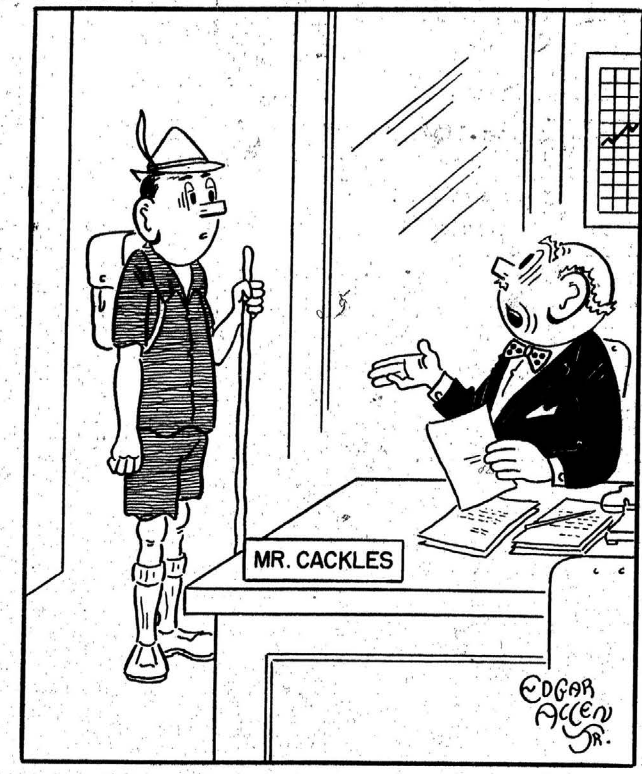
One paramount reason that the Bureau of Printing and Engraving is striving to make a constant improvement in its output is pointed up by the Secret Service report to Mr. Dillon in this manner:

"Counterfeit issues reflected that the product of the counterfeiter is improving consistently with the development of graphic arts and the ease with which counterfeit money can be produced. This, coupled with the wide distribution available to organized criminals, increased the enforcement problem and required the Secret Service to originate newer methods and speed up current techniques to supress this dangerous crime."

Forgery of government checks continues to represent a substantial amount of the Secret Service work. For instance, during the 1962 fiscal year it investigated 42,351 cases involving an amount of $4,244,133, an increase of 15.8% over the previous year. The Service also investigated 7,804 cases involving forgery of U. S. Savings Bonds, an increase of 2.6%.

Bankers and shop keepers and others are warned by the Secret Service that the counterfeiting and forgery are on the 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.]



"I think I better explain to you just what a dividend hike IS!"

Peters, Writer Names Two

DENVER, Colo. — On September 6th, Allan R. Hickerson, Jr. will become Secretary, Assistant Treasurer, and a director of Peters, Writer & Christensen Corporation, 724 17th Street, members of the New York Stock Exchange. On the same date, Thomas P. Owen will become a director.

C. F. Childs Co. Anniversary Book

C. F. Childs & Company, 141 West Jackson Boulevard, Chicago, is distributing an attractive illustrated book commemorating its golden anniversary year. C. F. Childs and Company, the oldest house specializing in Government Securities, was established in 1911.

Richard J. Buck Office

ST. CROIX, VIRGIN ISLANDS— Richard J. Buck & Co. has opened a branch office in the Virgin Islands National Bank Building, Christiansted, under the management of Kenneth R. Lindquist.

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.

The CHRONICLE will publish on Sept. 27 a special pictorial Supplement giving complete coverage to the proceedings at the Conference.

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.

The CHRONICLE will publish on Nov. 22 a special pictorial Supplement giving complete coverage to the proceedings at the Convention.

Nov. 25-30, 1962 (Hollywood, Fla.)
Investment Bankers Association Annual Convention at Hollywood Beach Hotel.

The CHRONICLE will publish on Dec. 20 a special pictorial Supplement giving complete coverage to the proceedings at the Convention.

April 3-4-5, 1963 (Dallas, Tex.)
Texas Group Investment Bankers Association Convention at the Statler Hilton 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.