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EDITORIAL

As We See It

Tangible Economic Benefits From Space Research and Exploration

By M. G. O'Neil,* President, The General Tire and Rubber Company, Akron, Ohio

Not since America was discovered 500 years ago has there been a comparable concept as striking as the Space Age. The cost of landing a man on the moon is estimated at \$30 billion by 1970 and the entire military-civilian space bill is said to range from \$40 to \$150 billion. Mr. O'Neil answers those who would delay space exploration; lists industries already offering by-product concrete benefits; and sketches the implications space research and exploration will have on our lives not least of which is that the astronautics industry will be larger than the world's auto industry in 10 years.

How rapidly time sweeps by and circumstances change when we pause for a moment and recall how uncommon it would be—even for a scientist—to stand before a group just a decade ago and discuss the possibilities of reaching the moon. How he might be laughed off the rostrum or embarrassed into silence!

This past decade, indeed this past year, with its dizzying succession of flights into outer space... its bouncing of images against a satellite to bring people from other continents into our living rooms... its giant thrusts and probes into the secrets of space... all these events prove how open our minds must be to change, to new ideas, to concepts that could over-night turn the substance of our lives completely inside out.

Look briefly at what has happened since the beginning of 1962. Most of the business predictions in January were optimistic. Wall Street and

Washington both gave the economy a clean bill of health.

Then came a series of events... bellwethers, if you will... that gave many of us in business more than a bit of a stir. The heavy pressure of taxation on corporations continued to bite into profits. Our Gross National Product has almost doubled in the past decade and yet while our profits were \$17.2 billion in 1952, they increased only to \$23.3 billion last year—and probably won't go much higher this year.

Then "Blue Monday" emerged on the investment horizon. Everyone, from the milkman to the ivory tower economic advisor, has offered explanations of why the stock market suffered such severe declines last May. Was it a growing awareness of the price-earnings ratio where some shares were selling as high as 100 times earnings? Was it the realization that inflation was no longer perhaps the bogie it had been in previous years? Was it the government's intervention in the steel price situation? Was it loss of investment confidence brought on by the parade of stock market scandals that kept blackening the headlines of our front pages? Or was it perhaps sheer and simple panic—the word-of-mouth fear that sends thousands of investors within a few hours on the downward cycle of the roller coaster?

To a degree, it was all of these things combined with national concern over the possibility of another recession.

Yes, all of these events have happened since those rosy predictions last January. I sum them up now simply to refresh ourselves on one facet of the current state of American business, as viewed from the domestic scene.

Now, for a moment, let us turn our telescope beyond the shores of the United States. There are more than a few items there that should concern every person in this country engaged in business.

Every passing day sees the growing economic unity of the European (Continued on page 21)



M. G. O'Neil

In their recent, rambling, serio-comic *apologia pro vita sua*, the high priests of the Slavic empire, once the domain of Ivan the Terrible, come up with some remarkable statements, some of them so remarkable that their authors easily qualify as the foremost current practitioners of the big lie technique. Of all such assertions, perhaps the most remarkable is that which blithely informs an astounded world that "as regards questions of the internal socio-political order of states, they must be settled by each people independently, without any outside intervention. Peace can be safeguarded only if one respects the inalienable right of each people to independence, if one strictly observes the principle of nonintervention by some states in the domestic affairs of other states. That is precisely the meaning of peaceful co-existence, underlying the peaceable policy of the Soviet State." A cardinal principle of the Soviet credo seems to be an unshakeable faith in the gullibility of all other peoples.

In this setting the taunt that "it is the revolutionary spirit that you fear" appears no less than ludicrous. So far as the Soviet Union and its activities are concerned, it is the "revolutionary spirit" forceably inserted into the gullets of helpless victims that causes concern in the minds of informed people throughout the world. So far as Cuba itself is concerned no one in his senses supposes that "the people" have anything to say about what is now going on or is planned for them in the future. It is, of course, standard Soviet technique to incite minorities to rebellion and to help them gain control which they can not keep once they get it except at the price of surrender of all independence to the Soviet Union.

There is, however, a sort of "revolutionary spirit" which may or may not wholly owe its existence to the Soviet Union which we and all other nations on the globe have had good reason to fear in recent years. It is a deep dissatisfaction with what-

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M. J. COEN

President, Midland Securities Co., Inc.,
Kansas City, Mo.

Westgate-California Corporation

Investors have had their doubts about cyclical stocks, especially this year when the stock market took a mauling and widespread uncertainties raised over the future course of the nation's economy. When a company is engaged in such basic fields as food, banking, transportation, and real estate, these peaceful needs give a dimension to a concern worthy of consideration for investment.



M. J. Coen

Westgate-California Corp. is a holding concern with the various subsidiaries operating with complete autonomy. Most of Westgate's operations are concentrated on the West Coast, where the nation is growing fastest.

In food, Westgate owns Brest-O'-Chicken Tuna, Gifford's Olives and Girard's Salad Dressing. All food production is carried on in its new, modern San Diego plant, where equipment and facilities are unrivalled in quality and design concepts. It has an insured source of raw fish from its fleet and an aggressive national marketing structure.

In transportation, Westgate operates the Yellow Cab Companies in Los Angeles and its suburban cities, as well as in the San Francisco-Oakland area. It owns Kansas City Transit, Inc., a metropolitan bus line; Atlantic Transfer, a Los Angeles intracity trucking line; AirporTransit of Los Angeles, which provides service from the huge International Airport to the city and operates a self-propelled tram-line within the confines of the airport.

In commercial property, Westgate owns all but two of the 26 office buildings occupied by the United States National Bank of San Diego and much additional commercial real estate. Westgate has under construction in San Diego a 27-level skyscraper which will offer 16 floors for lease as prime downtown office space, with the remaining floors to be occupied by the United States National Bank of San Diego and various Westgate administrative elements. The structure—the city's tallest—is to be ready for occupancy in mid-1963, and is located adjacent to the \$40 million City Center project.

Also owned is the Los Altos Shopping Center in the explosively growth residential area of East Long Beach. It is a quality center and has such tenants as Broadway-Hale, J. C. Penney, and Woolworth. In the agriculturally productive San Joaquin Valley, Westgate owns more than 2,000 acres, whose land values have increased 59% in the last decade.

In banking, Westgate owns a substantial block of the capital stock of the United States National Bank of San Diego which has had an astoundingly dynamic growth. It has expanded and grown into a complex banking system with 26 offices in five key

counties: San Diego, Orange, Riverside, Los Angeles, and San Bernardino. The bank also will play a leading part in its development.

The bank's earnings are not consolidated in Westgate's results and for that reason, the real book value of Westgate is understated by the company's equity in the undistributed earnings and asset value of the bank.

Since the investment in the bank is carried at cost, the actual value of Westgate's investment, we feel should be estimated at several million dollars.

The transportation companies generate a substantial volume of depreciation cash. The value of the franchises in Kansas City, Los Angeles, and San Francisco-Oakland cannot be pinpointed in dollars and cents but undoubtedly, they are worth several million dollars.

Westgate does not carry any value on its Brest-O'-Chicken Tuna label, on which it has spent nearly \$7 million in advertising alone in the last four years. If the company desired to cut-back its promotion program, it could add to its profits, after taxes, for this one move. But looking to the future and larger markets, retrenchment is not in the cards.

Through its modernization of the Kansas City Transit system and discontinuance of trolley and street cars, future write-offs will give the company a large tax credit which can be taken against profits.

Westgate has outstanding 1,194,357 shares of class A common, 1,600,000 shares of class B common, 65,000 shares of \$70 par value 5% preferred and 232,905 shares of \$10 par value 6% preferred.

The class B, which is management owned, is convertible into class A share for share at the rate of 160,000 shares a year beginning in 1964. The class B does not participate in dividends. The management does not contemplate a 10% conversion and in the event there is any, dilution should be minimized because of the sustained growth in earnings. The class A stock is on a 90 cent annual dividend basis, but in July a 2% stock dividend was paid in lieu of cash. Shareholders were given the option to take cash at the equivalent price of \$18.50 a Westgate share. On this basis, the payment was equivalent to 37 cents instead of the 22½ cents in cash on the former basis. The company intends to follow this policy in the future if it proves satisfactory to shareholders.

Net sales for the six months ended June 30, 1962, were \$9,366,698 and rentals, dividends and miscellaneous income were \$2,088,394, for a total of \$11,455,092. Net income was \$1,215,195, equal to \$1.01 a share on the class A stock outstanding after provision of \$135,000 for income taxes after tax credits.

Annualizing the first six months we estimate the company should earn between \$2 and \$2½ million or about \$2 per share net after taxes.

The stock is traded over-the-counter and should have a strong appreciation factor as well as provide reasonable current income to an investor who recognizes the need for food, money, real estate, and transportation.

(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.)

This Week's Forum Participants and Their Selections

Westgate-California Corporation—
M. J. Coen, President, Midland
Securities Co., Inc., Kansas
City, Mo. (Page 2)

Federal-Mogul-Bower Bearings,
Inc.—Robert F. Taylor, Coun-
selor, Investment Counsel, Inc.,
Detroit, Mich. (Page 2)

ROBERT F. TAYLOR

Counselor, Investment Counsel, Inc.,
Detroit, Michigan

Federal-Mogul-Bower Bearings, Inc.

This company is essentially an automotive supplier with unique proficiency in the development, production and distribution of a complete line of sleeve, ball and roller bearings, oil seals and ducting.

Unlike most metal-working operations, the manufacture of bearings is not one which can be readily undertaken by the makers of automotive vehicles, farm im-

plements, machinery, industrial equipment and other mechanical devices. To make bearings requires great technical skill and long experience, as well as substantial capital. The combination of materials used in bearings represents the hard-won knowledge of the most skilled practitioners of the art of metallurgy.

While there is a tremendous market for bearings, both as original equipment and for replacement, it has proved to be more economical for even large users of bearings to buy, rather than manufacture, them. Of the automotive makers, only General Motors produces bearings. Even so, General Motors is usually Federal-Mogul's third or fourth largest customer. Few companies would care to stock bearings or seals for years after the manufacture of the vehicle or machine for which it was designed has ceased. Federal-Mogul-Bower carries more than 28,000 different parts.

By the end of this year, there will probably be over 80 million cars, trucks and busses in operation in the United States alone. There are a few vehicles now moving which do not use some parts manufactured by Federal-Mogul-Bower Bearings.

In years of high automotive production, Federal-Mogul benefits from the sale of its products to the original equipment manufacturers; in years when automotive production declines, the Federal-Mogul service division, through its 10,000 jobbers and 109 branches in the United States and Canada, prospers from profitable sales to the replacement market. Service sales contribute more than 25% of total volume. In addition, other cyclical industries, such as the manufacture of farm implements, earthmoving and road-building machinery, and aircraft, are sometimes in an expanding phase when automotive production is declining. Somewhat less than half of the company's volume is sold to non-automotive industries.

Over the past two decades, Federal-Mogul has shown a better rate of growth than most of its major customers, or those of its competitors with which it could be compared; earnings per share have shown an annual average compound rate of growth of 11%. In 1961, earnings before income taxes were 20.6% of net sales of

Continued on page 9

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CANADIAN Common Stock Issue on October 11

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Tariffs and the Chemical Industry: Past and Present

By Crayton K. Black,* *Manager, Trade Relations E. I. du Pont de Nemours & Co., Wilmington, Delaware*

Unlike all previous tariff legislation since World War I, writer boldly claims that the current tariff bill now in the Senate will decrease our chemical exports and increase imports and, thus, jeopardize an industry essential to our defense and well being. Mr. Black explains our favorable chemical trade balance; notes the difficulty in making a comparative study of tariffs; and deplors the absence of the selective statutory protections in the present bill heretofore in existence during the presidencies of Roosevelt, Truman and Eisenhower.

Apparently July 4, 1789 was not a holiday for our Congressmen. On that day the second law passed by Congress was a tariff act.

The founding fathers, who were sensitive on the subject of taxation, were deeply convinced that "The least government is the best government" and so for a period of 25 years they clung to the theory of tariff for revenue only. It is interesting to note that customs duties were the main source of revenue for the government until 1910.

Tariffs prescribed by law until 1815 were modest. While they covered practically all items, they averaged only 12.61%.

Having learned in the War of 1812 that it was not wise to depend on Europe for manufactured goods, tariff laws were revised to afford protection to American industry in addition to revenue.

Average tariffs have fluctuated widely over a period of 170 years. In the period from 1815 to 1832, duties were raised to protect growing industries. The South objected strenuously to these rates (even with threats of secession) and they were lowered.

Because of excessive amount of revenue being collected, tariffs, were lowered further in 1857. The 20% average duty was the lowest in a period of over 100 years.

During the period between the Civil War and World War I, tariffs fluctuated depending on the party in power and the economic condition of the country. In general the trend was downward.

Just before World War I the Underwood Tariff Act reduced most duties still further but the advent of war gave it little chance to operate.

It is at this point in our history that the chemical industry, particularly the organic chemical industry starts to assume prominence. Up to now our tariffs on chemicals had been very low or non-existent.

Any attempt to develop a domestic chemical industry was met by price cutting which quickly killed the American venture. A few dyes were made here, but from imported intermediates so that control was in the hands of the foreigners.

World War I

In November, 1916, the German submarine "Deutschland" slid into New London, Conn. She had for the second time in four months run the British blockade and delivered over 500 tons of coal tar dyes and medicinals. She was returning with an equal

weight of rubber and nickel ingots. Why was this such a significant event?

The Germans had monopolized the dye industry (in spite of its English origin) and had made the United States dependent on them by ruthlessly cutting prices, so that no American industry could exist without tariff protection. It was the German hope that our dependence would not only keep us from declaring war on them but that we would assist them in breaking the British blockade.

We all know what happened. The American organic chemical industry emerged. Due to lack of information and the complexity of the business, this was no easy task under the pressures of war. President Wilson, who was in general an exponent of free trade, recognized the importance of a domestic chemical industry for economic as well as defense reasons and urged tariff protection which was passed.

It is interesting to note that in 1922 one of the nation's leading economists from one of our leading colleges said:

"Regarded from the strictly economic point of view, the chemical industry does not seem to be adapted to American ways. It lacks a comparative advantage. Processes are in the main adapted to the German industrial ways and traditions and a technical staff to be had at comparatively low wages. As a matter of the international division of labor, the people of the United States probably would do well to turn to other things in which they work to better advantage, and get their dyestuffs from Germany."

As we have stated President Wilson did not agree and succeeded in getting the Emergency Tariff Act of 1921 which placed a virtual embargo on dyes. Thus the present multibillion dollar chemical industry was allowed to thrive.

The Fordney-McCungler Act of 1922 was a tremendous improvement over all previous tariff acts due in large measure to the excellent foundation which had been laid by the Tariff Commission. The principle of American valuation was adopted for some chemicals. Provision was made for flexibility in rates as the result of investigations to be made by the Tariff Commission. Provision was also made for protection against unfair methods of competition and foreign discrimination.

As we all know, the chemical

Continued on page 39

CONTENTS

Thursday, September 20, 1962

Articles and News

Tangible Economic Benefits From Space Research and Exploration.....	M. C. O'Neil	1
Tariffs and the Chemical Industry: Past and Future.....	Crayton K. Black	3
Advice to the Investor.....	August Huber	4
Treasury to Sell Long Bonds via Competitive Bids.....		4
Electronics Industry: Present and the Future.....	Charles F. Horne	5
Colorado Interstate Gas Co.....	Ira U. Cobleigh	9
American Business Keeping Investment Plan Schedules.....	Douglas Greenwald	11
Canadian Consumer Buys Two-Thirds of Total Output.....		12
Marcus Nadler's Prescription for an Expanding Economy.....		14
Sidney Koretz Would Cut Gold Price to End Shortage.....	(Letter to Editor)	14

Regular Features

As We See it.....	(Editorial)	1
Bank and Insurance Stocks.....		17
Businessman's Bookshelf.....		39
Coming Events in the Investment Field.....		40
Commentary.....		16
Current News in the Field.....		37
Dealer-Broker Investment Recommendations.....		8
Einzig: "The West Must Wake Up to Space Rocket Economics".....		10
From Washington Ahead of the News.....		13
Indications of Current Business Activity.....		23
Market . . . and You (The).....		18
Mutual Funds.....		19
NSTA Notes.....		38
News About Banks and Bankers.....		16
Observations.....		4
Our Reporter on Governments.....		20
Public Utility Securities.....		20
Securities Now in Registration.....		24
Prospective Security Offerings.....		35
Security I Like Best (The).....		2
Security Salesman's Corner.....		22
State of Trade and Industry (The).....		13
Tax-Exempt Bond Market.....		6
Washington and You.....		40

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OBSERVATIONS...

BY A. WILFRED MAY

FULL DRESS DISCUSSION OF THE DOLLAR

WASHINGTON—In formal plenary session, or via shop-talk in hotel corridor or bar, discussion by the cream of the world's bankers and monetary authorities, attending the International Monetary Fund-World Bank annual meeting here, is almost exclusively keyed to the state of the dollar.

Dollar questioning to a similar degree first occurred at last year's meeting in Vienna. But it should be realized that lessening of confidence in the dollar has actually been a four-year affair.

Past Fall in Dollar's Popularity

During the period of the Fund's operations from 1946-1958, 92% of all withdrawals were chosen in then popular dollars by the withdrawing nations. But in the following fiscal year, April, 1958-60, withdrawals in dollars declined to 60%. And in 1960-1961, the proportion taken in dollars fell to 36% gross; if repayments are taken into account, there was no net withdrawal of dollars.

TOO MUCH TALK?

Considerable qualms are being expressed over the impact on the citizenry of the highly publicized full-dress controversy. Depicted as "too much talk," as with President Kennedy's anti-devaluation assurances on Telstar and "old-fashioned" TV fireside, economic chat, the airing of such controversial, technical questions at meetings such as this is criticized for "blowing-up," unwittingly, the public's awareness and fear of them—in a way similar to Candidate Vice-President Richard Nixon's strategic mistake in introducing his comparatively unknown rival to millions of TV listeners.

Adding to expectations of ultimate devaluation is a widespread impression that the President's protestations have lacked full conviction.

Such conclusion is surely buttressed by memories of past pre-devaluation denials; as with Roosevelt before his first election, with French Finance Minister Georges Bonnet before his devaluation in 1937, and by Sir Stafford Cripps before Britain's last pound devaluation.

Also creating skepticism in the cognoscenti is the growing tendency of President Kennedy and his advisers to shift blame for our monetary troubles on to other countries, possibly by way of building an alibi for a future devaluation.

Circularization of Exchange Control Proposals

Public circularization of the exchange controls proposals is likewise unfortunate. Here again is unbridled discussion harmful in inflating the question. The exchange control protagonists assume that their remedy is required for a single cause, and in attacking symptoms overlook our real troubles—as the combination of rising short-term demand obligations on us, and our domestic spending sprees, with hardly a word about the anti-inflationary necessity of financing the budget deficits outside the "printing press" facilities of the commercial banks.

Another by-product controversial issue being widely circulated is the flaunting of the direct inconsistency between, on the one hand, all-the-way assurances of the country's soundness, both internally and externally (as by Secretary Dillon last year at Vienna) and, on the other hand,

our engagement in money-dunning activities.

(Citation of advantages from open discussion will be included in a subsequent article)

Another source of the public's confusion lies in identifying ex-

change guarantee (tied to gold) with exchange controls, and hence with devaluation. With regard to a gold exchange guarantee, particularly if done multilaterally, some authorities here feel the door is not permanently shut despite disclaimers by U. S. Treasury officials. Endorsers of a gold guaranteed currency system to foster an international reservoir of liquid reserve, such as Governor Zolotas of the Bank of Greece, maintain it would prevent wide fluctuations in the gold price, improve psychology, and would actually forestall, not further devaluation.

Treasury to Sell Long Bonds Via Competitive Bids

In a marked departure from its customary practice, the Treasury plans a trial \$250 million long-term bond offering at competitive bids through underwriting syndicates sometime in the next six months.

The Treasury announced Sept. 14 its intention to test a new technique in borrowing operations—the sale of long-term bonds through an underwriting syndicate on the basis of competitive bidding.

The experiment will be made at some time during the next six months, after there has been full opportunity for comment and appraisal by both investors and the banks and other financial institutions which might wish to participate in bidding for and distributing the bonds. The amount to be offered will be in the order of magnitude of one-quarter of a billion dollars.

The basic procedures to be followed will be similar to those which have been widely used for many years in selling State and local government securities and the bonds of privately-owned public utilities. It is anticipated that potential underwriters will form bidding groups. The bonds will be awarded to the group offering the highest bid (the lowest interest cost) for bonds bearing a given coupon and maturity and call provision, if any. The Secretary of the Treasury will reserve the right to reject all bids.

Bidding an Experiment

The Treasury's objective is to explore the practicability of this technique for occasionally placing moderate amounts of marketable long-term Government bonds in the hands of the public, at the lowest possible interest cost to the taxpayers and without adverse effects on the markets for other long-term securities. It is not presently contemplated that offerings of long-term bonds at competitive bidding will be made on a regularly-scheduled basis. If this first trial should prove successful, subsequent applications of this technique for selling long-term bonds will be made, with appropriate notice to the market, whenever the general economic environment and capital market conditions seem appropriate for such an offering.

Recognizing that many problems will have to be resolved before this new type of borrowing operation can be initiated, the Treasury wishes to obtain the views of members of the financial community and any other interested persons on the procedural and other aspects of selling long-term Government securities through competitive bidding. Written comments should be addressed to:

Office of Debt Analysis U. S. Treasury Department Room 3036, Main Treasury Building 15th and

Pennsylvania Avenue, N. W. Washington 25, D. C.

A public meeting with Treasury officials for discussion of questions and suggestions will be held in the auditorium of the Federal Reserve Bank of New York on Wednesday, October 17, at 3:30 PM. In making the announcement at this time, the Treasury hopes to give all interested parties adequate time for preliminary consideration, prior to the October 17 meeting, of all of the procedural and other problems which might be encountered in initiating this new borrowing technique.

To Study Loans On Securities

A comprehensive survey of bank loans collateralized by stocks and bonds will be undertaken by the Federal Reserve System to fill an important gap in banking information related to security credit and to facilitate the Special Study of Securities Markets now being made by the Securities and Exchange Commission. The study, announced jointly by the Commission and the Federal Reserve Board, will make it possible to estimate the total amount of bank credit secured by stocks and bonds—including loans for purposes other than purchasing and carrying securities, an area in which data are not regularly collected from banks and for which no benchmark data are available. It will also supply information on the types of securities serving as collateral for these bank loans, the purposes for which such loans have been made, and their terms and duration.

Detailed questionnaires will be sent to a broad sampling of banks belonging to the Federal Reserve System, including all those with total loans of \$200 million or more at the end of 1961, and covering a sample of each bank's loans outstanding on Sept. 26, 1962. All information reported by the banks concerning individual loans will be confidential and survey results will be published only in totals for groups of banks, loans, and types of collateral. Information developed by this survey will be used by the Securities and Exchange Commission, along with the results of several other studies being conducted by the Commission, in connection with its Special Study of Securities Markets, to formulate recommendations for legislation in the area of securities market credit. It will also be helpful to the Board of Governors in its continuing administration of Regulation U—relating to credit extended by banks on security collateral.

Advice to the Investor

By August Huber, Partner, Spencer Trask & Co., New York City

Fundamentals for investors are outlined by Wall Street partner who places earnings and dividends in relationship to market price as the central core around which everything else revolves. Examined are: the factors which determine when yield and P/E indicate "good" value; the difficulty in forecasting earnings and the psychological forces at play; and the problem of buying or selling too soon or too late.

The ever continuing problem of investors is the search for (a) which stocks to buy, and (b) of those stocks now held which should be sold. This is true of individuals, institutions, etc. Now, what makes a stock a "buy"? Why is it more attractive than others? The answers are not easy and explanations can be most complex or, conversely, over-simplified. I will risk the latter contingency and say it revolves around earnings, primarily, and dividends in relation to the market price. (The net result of general economic conditions, the company's industry position, its sales, profit margins, management, etc., all boil down finally to "earnings.")

A stock of a basically sound company may be said to be attractive if it is selling at a reasonable relation to earnings—giving consideration not only to current profits but also those which can be conservatively and with some confidence forecast.

For example: if you consider a stock selling at 40 which is currently earnings \$2 per share—or 20 times earnings—this is not particularly cheap. But, if you can substantiate a forecast of earnings reaching \$4 per share over the next few years, then the stock assumes greater attraction. For example, despite fluctuations meanwhile, as these earnings eventually materialize—and the stock then sells at 15 or 20 times such earnings—the market price could attain a price level between \$60 to \$80.

In brief, stocks should best be measured in terms of current earnings and probable future earnings (soundly estimated) relative to the market price you pay. (Some stocks characteristically through the years sell at relatively high market prices compared with earnings, reflecting a growth record, strong industry position, while other stocks habitually sell at more conservative price-earnings ratios. Thus, the past records of "normal" price-earnings ratios must be a consideration.)

Dividends and current yields are obviously a consideration for those desiring income. It is the usual policy however, of most growing companies to limit cash dividend payments and plow the major portion of earnings back into the business for future expansion. A relatively favorable yield, on a secure dividend, nevertheless provides a stock with attraction since (a) it can cushion or prevent a market price decline in a generally weak market, or (b) motivate a higher market price to get the yield in line with other stocks of similar investment quality.

Another example of relative common stock "value" would be a basically well situated issue selling at perhaps only 8 to 11 times current earnings with indications that such earning power although not expanding, can be maintained.

In this case, earnings can bolster the market price and could also be reflected in later higher quotations should the general market sell at higher P/E multiples.

What Is "Too High" for a Stock?

A stock selling at 50 and currently earning \$1 per share is selling at 50 times earnings. This is obviously an excessive price. It is not excessive however, if it can be adequately demonstrated that earning power of \$5 per share or higher can be attained sometime in the future. Then such a stock eventually may be expected to reach a higher market price as earnings grow.

If however, a stock is selling at 150 and currently earnings \$3 per share (50 times) and continued growth can be envisioned to where earnings will double to \$6 per share a few years hence, the stock at the present price of 150 (25 times future earning power) is already on the high side ("over-discounting" potentialities).

In another instance, a stock may be selling at 40 with favorable present earnings of \$3 per share. This is a reasonable valuation. However, if indications are that earnings are on the downgrade and are likely to fall to around \$1.50 per share, the stock at 40 is still too high.

Difficulty in Forecasting Earnings

Recognition should be given to the realization that future earnings cannot be forecast with mathematical precision. Projections on probabilities can be made. Among the vagaries are unpredictable economic upheavals, peace or war, labor, politics and taxes etc., in a general way and, more particular, for individual companies, competition, new processes and someone "building a better mousetrap." That's where "speculation" comes in on all common stocks—a studied projection of the future which may or may not materialize as envisioned.

It should be clear that psychological forces—both hopes and fears—along with temporary technical factors, influence stock prices and consequently they will often sell at market prices above or below so-called "value."

For example, you can buy a stock at a reasonable figure of 40 with \$3.50 earnings (and favorable prospects), but if there are those who—for some reason—are forced to sell, or are willing to sell stock below that price, then you can show a loss for an interim despite having purchased good value.

You can sell an over-valued stock (on the basis of price over-discounting future earning power or lower earnings are foreseen) but if there are those who optimistically are willing to pay higher prices—or are forced to cover short positions—then you could have sold too soon.

In both the cases briefly outlined above—either buying or selling—the investor may often act too soon on a so-called "value" basis. Nevertheless, on the average and over the longer haul, the investor is on firmer ground and his common stock investment program should work out relatively well if he keeps in mind the admittedly elementary fundamentals briefly outlined herein.



August Huber

Electronics Industry: Present and the Future

By Charles F. Horne,* President, *Electronic Industries Association and President, General Dynamics-Pomona, Pomona, Calif., and General Dynamics-Electronics, Rochester, and Vice-President of General Dynamics Corp., New York*

The main factors pushing the electronics business over its previous all-time high of nearly \$12 billion in 1961 are said to be: increasing defense expenditures, step-up in space exploration, and expanding markets for electronic equipment for industry. Both foreign and domestic competition, according to the industry's spokesman, may keep profits from rising at a comparable rate. The industrial market is singled out as offering the greatest potential for expansion . . . and profits . . . in the decade of the sixties. Discussion includes tariff problems, cold war competition, and sales data of the industry's principal segments.

The electronics industry of the United States is expected to reach a new peak of \$13.1 billion in sales in 1962. However, the continuing pressure of competition, both foreign and domestic, may keep profits from rising at a comparable rate.



Charles F. Horne

The year 1961 proved to be a record year for this growing industry. Despite a decline in sales of consumer electronics, total factory sales reached an all-time high of nearly \$12 billion, according to the Marketing Services Department of the Electronic Industries Association. Contributing to this record were increasing defense expenditures, the step-up of space exploration programs, and the expansion of industrial markets.

Faster Growth Than GNP

The electronics industry in the past 25 years has grown about 35 times (compared with six times for the Gross National Product) and it has increased twice as fast in the past 10 years as has the total output.

As the result of this growth, the industry is the fifth largest in the United States. Sales by manufacturers in 1961 were \$12 billion. There are over 5,000 electronic plants in the nation with facilities in almost every state of the union. Of the more than 850,000 persons employed in electronics manufacturing, more than 150,000 are engineers.

Few U. S. industries manufacture such a broad and diverse group of products. The electronics industry has more than 2,000 product categories ranging from entertainment equipment, such as radios and televisions, to computers and electronic gear for rockets and satellites. These account for almost 2% of the total U. S. sales of manufactured products and for about 4% of total sales of durable goods.

Average weekly earnings of production workers for major segments of the industry currently range from \$76 per week to \$110 per week.

Two Problems Ahead

There have been two significant developments which may have profound effects on the electronic industry within the next few years and could upset the slide rule calculations of our marketing experts.

The first is the foreign trade expansion bill which now seems likely to be adopted at least so far as tariff cutting authority is concerned—just about the way President Kennedy wants it. What impact this will have on both our exports and our imports remains to be seen. Only time will tell.

The second is the recent passage by Congress of a bill which will require all TV set manufacturers to produce only all-channel sets equally capable of receiving UHF and VHF signals. The immediate effect of this legislation will be to raise the average price of television receivers—once all-channel sets become the rule—by an average of between \$25 and \$30 with additional antenna and installation costs of as much as \$60. The shift to the production of only all-channel sets obviously will entail a substantial price rise, but how this will affect the business of the television receiver industry will not be known until the industry, in about two years, is able to complete its conversion to all-channel manufacture.

The television set industry well deserves the praise it has received for the outstanding way in which it is cooperating with the Federal Communications Commission in making the new all-channel law effective. Industry conferences with the FCC were under way before President Kennedy signed the bill. Within a few weeks every member of the industry, through the offices of the Electronic Industries Association, had given the Commission necessary information with respect to the time required for conversion to all-channel production and technical standards for the new sets. This information is now being studied by the FCC in conjunc-

tion with its consideration of proposed rules for administration of the law.

Government the Biggest Customer

The electronics industry has undergone a drastic change in its product mix and markets since the Korean outbreak in 1950 started the United States on its present defense program.

In 1950 consumer products accounted for \$1.5 billion of the \$2.7 billion volume of the industry. Military sales amounted to only \$6 billion. Industrial products totaled \$350 million.

Last year military purchases of electronic equipment and components totaled \$6.7 billion and total government procurement, including the National Aeronautics and Space Administration and Federal Aviation Agency, reached \$7.6 billion. Electronics procurement by the military is expected to rise to \$7.6 billion during 1962, or 12% above the 1961 figure. Industrial product sales, while less spectacular, passed consumer products by more than \$100 million last year.

While government sales will continue to rise and no doubt increase substantially in the space field for the foreseeable future, it is the industrial products market that offers the greatest potential for expansion—and profits—in the decade of the 60's.

Growth of Industrial Market

The industrial electronics industry has grown four-fold in the last 10 years. During 1961, sales of industrial-commercial electronic products were \$2.2 billion as contrasted to \$450 million in 1951. Today they account for nearly 20% of the total electronic dollars—up from 13% in 1951.

There is every reason to believe that this phenomenal growth will continue. This expectation arises in part from the need for American industry to meet the challenging economic factors of this decade. We are faced with a test of our ability to maintain acceptable profit margins in spite of rising costs, increasing foreign competition and more rapid technological obsolescence. Industrial-commercial electronic products are one of the primary means to meet this challenge by improving quality while simultaneously reducing costs.

The use of electronic automation has brought lower costs, higher quality and greater safety and reliability, to such major industries as machine tools, paper, textile and oil refining. To meet the needs of the expanding missile and space programs, manufacturing facilities are requiring ever growing amounts of sophisticated control instrumentation.

According to the EIA Marketing Services Department, the fastest growing portion of this market is the computing, data processing and industrial control equipment, up 28% in 1961 over 1960 to \$1,030 billion. Sales of electronic testing and measuring equipment increased 12% to \$290 million. Communication, navigational aids and broadcast and commercial sound equipment sales were 10% ahead of 1960 at \$615 million. Nuclear, medical and "miscellaneous" (power supplies, meteorological equipment, radio-astronomical equipment, etc.) expanded 18% to \$265 million.

It is not surprising that industrial controls and computing equipments and system are the most vibrant segments of the industrial-commercial electronics industry. It is through these products that a lower-cost and higher-quality industry complex will be realized. It is worth noting that the ability of American industry to achieve this result is one of the more important aspects of our struggle with communism.

The Soviet Union has revealed its intention to design factories which are run entirely by electronic computers and associated

systems. It is only through this means that the Russians dare hope to match the productivity of American workers which is greater by a ratio of 3 to 1. They are depending so heavily on computers that they have even spoken of controlling their entire centralized product planning mechanism through the use of one computer system or network. While the feasibility (or desirability) of this is to be doubted, it is indicative of the importance of industrial electronics to all economies.

In any economy where there is a need for close tolerances in "large volume" manufacturing and where automatic production sequences exist, electronic techniques will accurately measure processing conditions and relay this information to controls which will make automatic operational adjustments. Because of the enterprising lead of the industrial electronics industry, the United States now has more than 75% of controlled computer installations in use throughout the world. For both the closed and open-loop control systems there is a growing market which is currently doubling every two years. Nearly all new electric generating plants and about 50% of oil refinery and chemical plants now being built depend—wholly or in part—upon automatic electronic control systems.

In the years immediately ahead electronic techniques will be used in the control of highway (and of course air traffic) and in the solving of air pollution problems. Electronic welding will become predominant. Lasers and masers will become practical for such diverse uses as cutting fragile materials and inter-stellar communications. Infrared and microwave techniques will complement these applications.

To electronic manufacturers who are finding that the profit potential of the military market is growing at a much slower rate than a few years ago, this industrial-commercial market seems to be the most promising area to achieve significant profit ratios.

The Consumer Market

The outlook for other segments of the electronics industry, as viewed by our marketing specialists, is briefly as follows:

Consumer—An increase in dollar volume is expected because of (1) wider participation in the manufacture of color sets, (2) rising public interest in FM stereo radio and a steady increase in the number of converted FM stations (3) a trend toward larger TV screens, and (4) expansion in UHF set production. Factory sales are expected to total \$2.1 billion or go slightly above 1961. Current inventories at factory and distributor levels are 20% greater than last year. However, there is no evidence that this build-up will slow down fall production.

Factory and distributor inventories of radios (other than auto) also are up, but sales are continuing high. Foreign competition, however, is still rising, especially in transistor portables. Last year U. S. manufacturers sold less than 40% of radio portables and this year their share may be less.

Estimated unit sales at the factory in 1962 as compared with 1961 are as follows:

	Factory Sales (in millions of units)	
	1961	1962*
Television	6.2	6.8
Radio (excl. auto)	11.6	12.9
Phono	4.0	4.3

*Estimated

Components—Factory sales are rising, despite increasing foreign competition in the consumer product area, largely because of rising requirements for components of high reliability and much greater unit cost of military and space equipment. Last year electronic component sales totaled \$3.4 billion, and this year we expect the figure to rise to \$3.6 billion—an increase of about 5%.

Offsetting these encouraging trends is a recent report of the U. S. Department of Commerce that Japanese exports of electronic products to the United States rose to \$120 million in 1961 compared with \$94 million in 1960. This was an increase of 28%. Radio receivers, however, accounted for only 62% of the exports, compared with 74% in 1960 although the ratio of tube type sets rose over the previous year.

*Statement made by Mr. Horne at the 1962 Fall Conference of the Electronic Industries Association, New York City, Sept. 11, 1962.

Dominick Fund Director

The election of James E. Osborn II as a director of The Dominick Fund, Inc., 14 Wall Street, New York City, has been announced

by Gardner D. Stout, President of the closed-end investment company.

Mr. Osborn joined the investment firm of Dominick & Dominick in 1949 after graduating from Yale University and has been a partner in the firm since 1956.

The Dominick Fund is managed by Dominick and Dominick. Its shares are listed on the New York Stock Exchange.



James E. Osborn, II

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Tax-Exempt Bond Market

BY DONALD D. MACKEY

Although the market has been traditionally quiet since Labor Day with retail business unapparent in any important volume, state and municipal bond prices have continued to be firm and the average price structure has shown slight improvement. During the past week the *Commercial & Financial Chronicle's* high grade 20-year bond yield Index showed a market gain. The average yield was reduced from 3.03% a week ago to 3.01% as of Sept. 19. This means an average dollar betterment in this category of obligation of something less than \$2 per bond at the offered side of the market.

Calendar Buildup Likely

The technical nicety of the tax-exempt bond market has abetted this improvement in the absence of important retail interest. Since mid-August the new issue calendar has been light, totaling less than \$200,000,000 at times. At present the scheduled underwriting total is less than \$300,000,000. An abrupt increase seems unlikely, but a gradual buildup would appear to be certain in view of the currently spirited bidding for new tax-exempt bond issues and its implied inducement to potential issuers.

A very important market factor, dealer inventory, seems light enough to induce further market gain even in the absence of concerted investor interest. The *Blue List* total of offerings continues to show less than \$350,000,000 of state and municipal bond items and although this is by no odds the total of dealer inventories it is representative in a general way. As new issue bidding continues aggressively, it may be presumed that dealer inventory is to some extent withdrawn in anticipation of better prices.

New Syndicate Format

On Tuesday, Sept. 18, the bidding for new issues reached new high levels since the market break in May. The bids for the several sizable issues up for sale (each will be detailed in following paragraphs) were higher by ten basis points (0.10%) than they would have been had the sales occurred last week. The dealer banks seemed to lead this sanguine effort to buy new inventory although some of the same sentiment prevailed with a few dealers.

Drop-outs were, however, numerous and generally reached close to half of the syndicate members. Underwriting was no problem as participations were frequently doubled and even trebled by the remaining members.

Whereas managers have traditionally attempted to hold groups together rather than push the bidding to a point of significant drop-outs, the trend now seems definitely headed toward smaller groups wherein greater flexibility of action is inherent. Abbreviated groups, even for sizable new issue bidding, seem quite well established as the syndicate format for at least the near future. As more large banks join the ranks as dealers, this tendency seems likely to be emphasized. These compact coalitions are admirably suited for fast moving periods of market rally. However, the larger groupings are certainly not to be relegated to oblivion. During periods of market ease and weakness the advantages of geographical diversity should be obvious.

It seems to us that the large account format will be generally utilized for purposes of distribution and broad underwriting strength. As a general rule, however, we believe that bidding groups will tend to be relatively smaller than they have been in the past.

This development may partly help overcome the recent dealer criticisms that management has frequently been unresponsive to the rank and file of account members. Actually, new issue volume has increased to such an extent that managers have been, from a physical viewpoint, unable to handle the myriad details involved in large accounts. Members have doubtless often been dealt with abruptly and impersonally. Since this situation has been magnified by this year's record volume of underwriting, the small compact group membership idea has been developing and put to practical use.

Dollar Pressure Eased

On the bullish side of things pertaining to the tax-exempt market in particular, it has been pleasant to note that the pressure on the dollar seems appreciably reduced. Most of the non-communist industrial countries are experiencing rising price and

wage patterns. This inflationary tendency has given the dollar an unsought aspiration.

In our opinion, there is another important sentiment involved in this betterment. It would seem that Congressional thinking has developed that would reduce certain foreign aid substantially. Such reduction seems likely of passage and this probability may have much to do with the dollar's improved status and the equanimity presently prevailing in our security markets.

Recent Awards

This week's new issue calendar, while totaling only a modest \$70,326,000, included a half dozen issues of general market importance well worthy of brief comment. Bidding for this week's issues reached new high price levels and competition among underwriting groups was very keen.

Last Thursday saw only one sale of note and this consisted of \$2480,000 Los Angeles County, California Sanitary District No. 4 general obligation (1963-2002) bonds which were awarded to the group headed by the Bank of America N. T. & S. A. at a net interest cost of 3.435%. The runner-up bid of a 3.442% net interest cost was made by the United California Bank account.

Other major members of the winning group include Wells Fargo Bank, Harris Trust and Savings Bank, Dean Witter & Co. and J. Barth & Co. Offered to yield from 1.60% to 3.65%, demand was immediate with all of the bonds placed and the account marked closed.

Friday and Monday were void of any sales of importance but Tuesday of the current week was a banner day, with four issues of importance on the calendar. The largest new financing of this week was \$19,715,000 State of Delaware, various purpose (1963-1982) bonds, which went to The First Boston Corp. and associates at a dollar price bid of 100.289 with a 2.80% coupon. The second dollar price bid, 100.199 also for a 2.80% coupon, was made by the group managed jointly by First National Bank of Chicago and Halsey, Stuart & Co., Inc. In addition, there were two other bids for 2.80s, one submitted by the Morgan Guaranty Trust Co. account and one by the Chase Manhattan Bank and associates.

Major members of the winning account include Mellon National Bank and Trust Co., First National Bank of Oregon, Portland, National Bank of Detroit, Connecticut Bank & Trust Co., First National Bank of Memphis and the Mercantile National Bank at Dallas. Scaled to yield from 1.55% to 3.00%, this issue met with excellent bank and insurance company demand, with the present balance being only \$5,200,000. Omaha, Nebraska, an infrequent borrower and a city which carries the highest credit rating, awarded \$7,200,000 various purpose (1964-1981) bonds to the syndicate managed jointly by Kuhn, Loeb & Co. and Gore, Forgan & Co. at a net interest cost of 2.6781%. Here again bidding was extremely close, with the runner-up bid of a 2.6782% net interest cost submitted by the account managed jointly by The Northern Trust Co. and the First National City Bank. In terms of dollars, this cover of the first over the second bid amounts to about 1 1/2 cents per bond. Seven additional bids ranging in interest cost from 2.68% to 2.699% were also made for this much sought after issue.

Other major members of the winning syndicate include Drexel & Co., Eastman Dillon, Union Securities & Co., Carl M. Loeb, Rhodes & Co., United California Bank, Estabrook & Co., Hemphill, Noyes & Co., Laidlaw & Co., Stroud & Co., First National Bank of Boston, National Bank of Commerce, Seattle and the Fifth.

Continued on page 7

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 20 (Thursday)

Fairbanks, Alaska	3,000,000	1964-1984	3:00 p.m.
Ledyard, Conn.	1,565,000	1963-1982	11:30 a.m.
Macdon School District, Mich.	1,500,000	1963-1992	8:00 p.m.
Southeast Polk Comm. S. D., Iowa	1,900,000	1963-1981	4:00 p.m.

September 21 (Friday)

Louisiana State Board of Education (Baton Rouge)	2,500,000	1964-2001	11:00 a.m.
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September 24 (Monday)

Cook County Twp. S. D. #214, Ill.	2,450,000	1965-1981	8:00 p.m.
Dallas, Texas	5,000,000	1963-1992	1:45 p.m.
Farrington Sch. Dist., Mich.	2,100,000	1964-1988	8:00 p.m.
Florida Development Commission (Tallahassee)	7,920,000	1964-1982	11:00 a.m.
Maple Heights City S. D., Ohio	1,000,000	1964-1983	1:00 p.m.
Richardson, Indep. Sch. Dist., Tex.	2,500,000	1963-1993	7:30 p.m.
Salinas Union High Sch. Dist., Cal.	1,000,000	1963-1982	10:15 a.m.

September 25 (Tuesday)

Allegheny County, Pa.	5,430,000	1963-1992	11:00 a.m.
Baltimore, Md.	32,600,000	1963-1992	11:00 a.m.
Danvers, Mass.	1,095,000	1963-1972	11:00 a.m.
Detroit, Mich.	12,910,000	1967-1992	11:00 a.m.
Detroit School District, Mich.	10,000,000	1963-1988	11:00 a.m.
Eugene, Ore.	2,500,000	1966-1982	11:00 a.m.
Greensboro, N. C.	6,790,000	1964-1988	

September 26 (Wednesday)

Clearwater, Fla.	1,100,000	1964-1967	2:00 p.m.
Malden, Mass.	1,980,000	1963-1981	11:00 a.m.
Merrimack College (No. Andover, Mass.)	1,500,000	1964-2001	11:00 a.m.
Nassau County, N. Y.	17,200,000	1963-1991	Noon
Puerto Rico (San Juan)	30,000,000	1964-1986	11:00 a.m.
Univ. of Texas (Bd. of Regents)	1,600,000	1964-2001	10:00 a.m.

September 27 (Thursday)

Geddes, New York	2,650,000		
Nashua, N. H.	1,525,000	1963-1982	11:00 a.m.

October 1 (Monday)

Englewood, Colo.	3,047,000		
Paramus School District, N. J.	2,160,000	1964-1983	8:00 p.m.

October 2 (Tuesday)

Arizona State University	1,500,000	1965-2002	10:00 a.m.
Los Angeles County Flood Control District, California	10,000,000	1964-1989	9:00 a.m.
Univ. of Virginia (Charlottesville)	1,200,000	1964-1987	Noon

October 3 (Wednesday)

Artesia Municipal SD #16, N. Mex.	1,350,000	1963-1969	10:00 a.m.
Licking County, Ohio	4,316,000	1964-1983	Noon

October 6 (Saturday)

Univ. of Nevada (Bd. of Regents)	2,012,000	1963-1977	10:00 a.m.
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October 9 (Tuesday)

Phoenix, Ariz.	9,000,000		10:00 a.m.
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October 10 (Wednesday)

Falls Church, Virginia	1,200,000	1963-1987	Noon
Lexington, Ky.	1,025,000		
Louisiana Fiscal Authority	20,000,000	1965-1978	11:00 a.m.
Morris Hills, Reg. S. D., N. J.	2,676,000	1963-1984	8:00 p.m.
Wyoming P. S. District, Mich.	1,500,000	1963-1988	8:00 p.m.

October 15 (Monday)

Indianapolis Airport District, Ind.	2,000,000		
La Virgenes Mun. Water Dist., Cal.	2,000,000		

October 16 (Tuesday)

Georgia Rural Roads Authority	2,600,000		
Pennsylvania State PS Bldg. Auth.	30,000,000	1963-2002	Noon

October 17 (Wednesday)

Greenwood, S. C.	1,100,000		
Mich. State Univ. (Bd. of Trustees)	1,200,000	1965-2002	11:00 a.m.
Univ. of Illinois, Board of Trustees (Urbana, Ill.)	6,700,000	1965-2002	11:00 a.m.
Vero Beach, Fla.	2,400,000	1964-1991	Noon

November 14 (Wednesday)

Fast Bay Municipal Util. D., Calif.	30,000,000		
Houston (Waterworks Rev. Bonds), Texas	14,000,000		

November 15 (Thursday)

Oklahoma City Municipal Improvement Auth. (Rev.), Okla.	10,000,000		
Shreveport, La.	9,200,000	1965-1987	10:00 a.m.

December 1 (Saturday)

Los Angeles County Malibu Waterworks District No. 29, Calif.	1,600,000		
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December 5 (Wednesday)

Macon County Special Charter School District No. 61, Ill.	3,655,000		
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MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3 1/2%	1982	3.30%	3.15%
Connecticut (State)	3 3/4%	1981-1982	3.15%	3.00%
New Jersey Highway Auth., Gtd.	3%	1981-1982	3.05%	2.90%
New York State	3 1/4%	1981-1982	3.05%	2.90%
Pennsylvania (State)	3 3/8%	1974-1975	2.75%	2.60%
*Delaware (State)	2.90%	1981-1982	3.05%	2.95%
New Housing Auth. (N. Y., N. Y.)	3 1/2%	1981-1982	3.10%	2.95%
Los Angeles, Calif.	3 3/4%	1981-1982	3.35%	3.20%
Baltimore, Md.	3 1/4%	1981	3.15%	3.00%
*Cincinnati, Ohio (U. T.)	3 1/2%	1981	3.10%	2.95%
Philadelphia, Pa.	3 1/2%	1981	3.30%	3.15%
*Chicago, Ill.	3 1/4%	1981	3.30%	3.15%
New York, N. Y.	3%	1980	3.42%	3.35%

September 19, 1962 Index=3.019%

*No apparent availability.

ESTABLISHED 1894

STATE AND MUNICIPAL BONDS

CORPORATE BONDS

LOCAL STOCKS

The Robinson-Humphrey Company, Inc.

RHODES-HAVERY BLDG. ATLANTA 3, GEORGIA

Jackson 1-0316

Tax-Exempt Bond Market

Continued from page 6

Third Union Trust Co. of Cincinnati. Scaled to yield from 1.70% to 2.90% for a variety of coupons, this issue attracted good bank portfolio buying. The present balance in syndicate is \$1,385,000.

Unique Issue

The Trustees of the University of Indiana sold \$5,800,000 revenue (1963-1991) bonds to the group headed by Kidder, Peabody & Co. at a net interest cost of 3.378%. The runner-up bid, a 3.3899% net interest cost, was made by Wertheim & Co., bidding alone. Five other bids ranging in interest cost from 3.39% to 3.43% were also made for this issue. This issue is unique in that it represents a general obligation of the Trustees of Indiana University and is secured by pledges of any available funds of the University. Bond proceeds will be applied to the costs of construction, equipping and furnishing buildings for a new educational laboratory school.

Associated with Kidder, Peabody & Co. as major members of this group are Shields & Co., R. W. Pressprich & Co., Hornblower & Weeks, Francis I. duPont & Co., Paribas Corp., E. F. Hutton & Co., New York Hanseatic Corp., Second District Securities Co. and Wells & Christensen, Inc. Scaled to yield from 1.75% in 1963 to 3.50% in 1990, this issue having attracted excellent casualty and fire insurance company interest, was speedily disposed of. The 1991 maturity carried a one-quarter of 1% coupon and was sold pre-sale.

Tuesday's only other sale of note involved \$1,170,000 Montgomery Alabama limited tax (1963-1987) bonds. The issue was bought by the First National Bank, Memphis, at a net interest cost of 3.0057%. The runner-up bid, 3.051% net interest cost, was made by Phelps, Fenn & Co. and associates. Scaled to yield from 1.90% in 1963 to 3.25% in 1983, a balance of \$400,000 presently remains in account. The 1934 to 1987 maturities carried a 1% coupon and were sold at a 4.10% yield, it is reported.

Wednesday's only sale of note consisted of \$5,350,000 Orlando, Florida various purpose (1963-1982) general obligation bonds. The issue was awarded to the Florida National Bank, bidding alone, at a net interest cost of 2.8497%. The runner-up bid, a 2.89% net interest cost, was made by the Trust Co. of Georgia and associates. No scale was released as the bonds have not been reoffered to the public.

Big Week Ahead

Next week's calendar totals \$164,878,000 and includes four issues of importance. The largest loan of the week involves \$32,600,000 Baltimore, Maryland various purpose (1963-1988) bonds selling Tuesday (Sept. 25). Other important loans include \$22,910,000 Detroit, Michigan general obligation and water revenue bonds, also on Tuesday; \$30,000,000 Commonwealth of Puerto Rico general purpose (1964-1986) bonds and \$17,200,000 Nassau County, New York various purpose (1963-1991) bonds, both on Wednesday.

Dollar Bond Index to Be Changed

The toll road, bridge and public utility revenue issues have not been receiving the attention that new issues have in recent weeks and this is understandable in view of the recently dominating bank interest in tax-exempts. However, the so-called dollar quoted issues have held their own in a quiet trading atmosphere. Our revenue bond Index averages at a 3.78% yield as of Sept. 19 as

against 3.79% a week ago. Our Index includes all of the important revenue term bond issues and the Index has averaged the individual yields therefrom figured to maturity.

Beginning next week our Index will reflect the average yields figured to the call for premium bonds (where prices exceed the call price) and figured to maturity when the prices are less than the call price. This should reflect a more accurate average in view of the higher prices prevailing for many of these issues and the increasing likelihood of ultimate refunding operations. Utilizing this method, our revenue bond Index would average at 3.65% currently.

Answering Toll Road Critics

Toll road issues have been subject to broad criticisms in the years that they have been outstanding and on balance it has been generally adverse from a financial viewpoint. Recently important criticism centered on the fact that but few roads had realized the traffic expectations of the engineers. This is quite certainly true and a fact broadly understood.

Emphasis might fairly and constructively be placed, however, on the trend of toll road traffic today and its future projection. Ten years ago traffic projection was pretty much a guessing game. The science has been developed as the complexities of population growth, state and Federal road

programs and even political developments take on more tangible meaning.

In the meantime, toll roads as a group have approached the engineers' sanguine expectations quite creditably. The future for all of the roads look reasonably bright and we would expect that within the next ten years we will have experienced some toll road refunding. Sinking fund operations will have become general within five years as many view it.

Summer revenue reports from the toll road highways continue to break records. The Ohio Turnpike, the mid section of the toll road continuum from New York to the Wisconsin line, has filed a splendid report for August. Interest was earned 3.33 times as against 2.92 times for August a year ago. For the eight months ending Aug. 30, 1962, interest was earned 2.09 times; for the same period a year ago, the coverage was 1.84 times. This is typical of the current trend in toll road revenues.

Staats to Admit Jackson

SAN FRANCISCO, Calif. — On Oct. 1, Daniel D. Jackson will become a partner in the New York Stock Exchange member firm of William R. Staats & Co. He will make his office at the firm's San Francisco branch, 111 Sutter Street.

World Bank Sells \$100 Million Bond Issue Abroad

The World Bank has arranged the sale, entirely outside the United States, of a \$100 million issue of United States dollar bonds. The sale, at par, was made by private placement with 53 institutional investors in 25 countries.

The new bonds will be known as the "Two Year Bonds of 1962," and will bear interest of 3 3/4%, payable semi-annually, with the first payment due on April 1, 1963. The issue is dated Oct. 1, 1962 and matures Oct. 1, 1964.

Subscriptions received for the issue were greatly in excess of the principal amount of bonds to be sold, indicating keen investor interest in them. Purchasers included central banks, government special accounts, and privately owned commercial banks, insurance companies and corporations.

The countries where buyers purchased the new bonds are:

Australia; Austria; Belgium; Cambodia; Canada; China; Denmark; Finland; France.

Germany; Ghana; Israel; Italy; Japan; Malaya; Mexico; Norway; Philippines.

South Africa; Spain; Sweden; Switzerland; Thailand; United Kingdom; and Yugoslavia.

Completion of the current transaction will not affect the total of the bank's outstanding funded debt, as on Oct. 1, 1962 there will mature an equal amount of Two-Year 3 1/2% Bonds placed outside the United States in September, 1960. The total outstanding obligations of the bank amount to about \$2.5 billion of which about \$1.9 billion is denominated in United States dollars and more than \$600 million in Belgian francs, Canadian dollars, Deutsche marks, Italian lire, Netherlands guilders, sterling and Swiss francs.

Over 55% of the bank's outstanding debt is held by investors outside the United States. Included in the holdings of these investors, in addition to non-dollar obligations, are nearly \$800 million of the dollar bonds and notes of the bank, or about 42% of its total United States dollar obligations.

Nat Berger in New Location

Nat Berger Securities Corp., specialists in real estate securities, have announced the opening of new offices at 595 Madison Avenue, New York City. The firm's new telephone number is PLaza 2-1020.

This announcement is not an offer of securities for sale or a solicitation of an offer to buy securities.

New Issue

September 19, 1962

\$18,500,000

Nippon Telegraph & Telephone Public Corporation

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Unconditionally Guaranteed as to Payment of Principal and Interest by

Japan

Price 96%

plus accrued interest from September 15, 1962

Copies of the prospectus may be obtained from such of the undersigned (who are among the underwriters named in the prospectus) as may legally offer these securities under applicable securities laws.

Dillon, Read & Co. Inc.

The First Boston Corporation

Smith, Barney & Co.
Incorporated

Kuhn, Loeb & Co.
Incorporated

Blyth & Co., Inc.

The Dominion Securities Corporation

Eastman Dillon, Union Securities & Co.

Goldman, Sachs & Co.

Harriman Ripley & Co.
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Kidder, Peabody & Co.
Incorporated

Lazard Frères & Co.

Lehman Brothers

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

White, Weld & Co.

Dean Witter & Co.

Bache & Co.

Paribas Corporation

The Daiwa Securities Co., Ltd.

The Nikko Securities Co., Ltd.

The Nomura Securities Co., Ltd.

Yamaichi Securities Company of New York, Inc.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Aluminum Industry—Report—Arthur Wiesenberger & Co., 61 Broadway, New York 6, N. Y. (\$2.50 per copy).

Business Outlook—Review—The Northern Trust Co., La Salle and Monroe Streets, Chicago 90, Ill.

Cosmetic Stocks—Review with particular reference to Charles of the Ritz, Chesebrough-Pond's and Max Factor & Co.—The Milwaukee Co., 207 East Michigan St., Milwaukee 2, Wis.

Domestic Oils—Review—Carl M. Loeb, Rhoades & Co., 42 Wall St., New York 5, N. Y.

Also available are reports on Ampex, Warner Lambert, Unilever Group, Celanese Corporation of America, Tokyo Shibaura Electric Co. and Wm. Wrigley, Jr. Company.

Drug Industry—Survey with particular reference to Chas. Pfizer & Co.—Purcell & Co., 50 Broadway, New York 4, N. Y.

Florida Cane Sugar Industry—Report—Lamborn & Co., Inc., 99 Wall Street, New York 5, N. Y.

Income Stocks—Discussion of 24 issues—Eastman Dillon, Union Securities & Co., 1 Chase Manhattan Plaza, New York 5, N. Y.

Also available is an analysis of Sterling Drug Incorporated.

Insurance Companies—Comparative figures—Laird, Bissell & Meeds, 120 Broadway, New York 5, New York.

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.

Japanese Rolling Stock Manufacturers—Review with particular reference to Fuji Car Manufacturing Co., Kawasaki Rolling Stock Manufacturing Co., Nippon Sharyo Seizo Kaisha Ltd., and Tokyu Car Manufacturing Co.—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y.

Also available is an analysis of Tokyo Electric Power Co.

Life Insurance Field—Discussion of trends—David L. Babson and Co., Inc., 89 Broad Street, Boston 10, Massachusetts.

Life Insurance Stocks—Memorandum—Thomson & McKinnon, 2 Broadway, New York 4, N. Y.

Life Insurance Stocks—Comparative analysis of 100 actively traded stocks—Universal Securities Corporation, Brown-Marx Building, Birmingham 3, Ala.

Meat Packers—Analysis—H. Hentz & Co., 72 Wall Street, New York 5, N. Y.

Also available is a discussion of Eastern Railroad Mergers and analyses of Diners Club Inc. and Sunbeam Corp.

Oils—Review with particular reference to Apco Oil, Marathon Oil, Pure Oil and Standard Oil of Indiana—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

Oil Stocks—Bulletin—Peter P. McDermott & Co., 42 Broadway, 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.

Profit Breakthrough in Air Cargo—Study—Sartorius & Co., 39 Broadway, New York 6, N. Y.

Puerto Rican Securities—Quarterly report—Government Development Bank for Puerto Rico, San Juan, Puerto Rico.

Science & Industry—Beginning a new series of articles to help the investor find his way through the amazing complexities of current scientific achievements—Fuel Cells starts the series in the September issue of the Exchange Magazine—The Exchange Magazine, Department 7 TB-27, 11 Wall Street, New York 5, N. Y.—20c per copy, \$1.50 per year.

Selected Stocks—Brief comments on issues which appear interesting

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

South African Gold Stocks—Review—Draper Dobie & Co. Ltd., 25 Adelaide Street, West, Toronto, Ont., Canada.

Stocks Which Are Outperforming the Market—Statistical data on 37 issues—Goodbody & Co., 2 Broadway, New York 4, N. Y.

Telephone Company Earnings—Comparative figures—Hourwich & Co., 40 Wall Street, New York 5, New York.

Treasury Market—Discussion—Aubrey G. Lanston & Co., Inc., 20 Broad Street, New York 5, N. Y.

What's Wrong With Speculation—A discussion of the way in which speculation operates in the securities markets and the differences between investment and speculation—Butler, Herrick & Marshall, 76-11 37th Ave., Jackson Heights 72, New York.

Wisconsin Corporations—Memorandum—Robert W. Baird & Co., 110 East Wisconsin Avenue, Milwaukee 2, Wis.

Air Reduction—Memorandum—Garvin, Bantel & Co., 120 Broadway, New York 5, N. Y.

Also available is a memorandum on J. I. Case.

Allegheny Pepsi-Cola Bottling Co.—Study—Suplee, Yeatman, Mosley Co., Inc., 1500 Walnut Street, Philadelphia 2, Pa.

Allied Chemical—Memorandum—Chas. W. Scranton & Co., 209 Church Street, New Haven 7, Connecticut.

American Enka—Comment—Colby & Co., Inc., 85 State Street, Boston 9, Mass.

Also available are comments on Best & Co. and Thompson-Ramo-Woodridge.

Apache Corporation—Bulletin—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 4, New York.

A. J. Armstrong—Memorandum—Winslow, Cohe & Stetson, Inc., 26 Broadway, New York 4, N. Y.

Asgrow Seed Company—Review—Paul Gould, 321 West 44th St., New York 36, N. Y.

Bank of New York—Report—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y.

Also available are reports on May Department Stores, Howard Johnson and Piper Aircraft.

Bankers Dispatch Corp.—Analysis—Blunt Ellis & Simmons, 111 West Monroe Street, Chicago 3, Illinois.

E. J. Brach & Sons—Memorandum—Steiner, Rouse & Co., 19 Rector Street, New York 6, N. Y.

Carlisle Corporation—Analysis—Halle & Stieglitz, 52 Wall Street, New York 5, N. Y.

Caterpillar Tractor—Memorandum—Robinson & Co. Inc., 42 South 15th Street, Philadelphia 2, Pennsylvania.

Cetron Electronic Corp.—Memorandum—McKeown & Co., 209 South La Salle Street, Chicago 4, Illinois.

Cleveland Cliffs Iron Company—Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y.

Also available are reports on H. J. Heinz Co. and Texas Pacific Land Trust.

Combustion Engineering—Report—Reynolds & Co., 120 Broadway, New York 5, N. Y.

Also available is a report on Microdot Inc.

Cuneo Press—Memorandum—Van Alstyne, Noel & Co., 40 Wall St., New York 5, N. Y.

Curtis Mathes Manufacturing—Memorandum—D. C. Whitsel & Co., 29 South La Salle Street, Chicago 3, Ill.

Curtiss Wright—Memorandum—Ira Haupt & Co., 111 Broadway, New York 6, N. Y.

Dobbs Houses, Inc.—Analysis—Wilder, Hansbrough, Finch & Co.,

DuPont Building, Memphis 3, Tennessee.

Edo Corp.—Chart Memorandum—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y.

Also available are memoranda on Atlantic Refining and General Tire.

Electronics Specialty Co.—Discussion in September issue of "American Investor"—American Investor, 86 Trinity Place, New York 6, N. Y.—15¢ per copy; \$1.00 per year.

Also in the same issue are discussions of Mohawk Airlines, Drug Fair-Community Drug Co. and Lee Filter.

Electronics Specialty Co.—Memorandum—E. F. Hutton & Co., 623 South Spring Street, Los Angeles 14, California.

Federal Mogul Bower Bearings, Inc.—Report—Courts & Co., 11 Marietta Street, N. W. Atlanta 1, Georgia.

First Security Corporation—Analysis—Schwabacher & Co., 100 Montgomery Street, San Francisco 4, California.

Florida Gas Corp.—Analysis—David A. Noyes & Co., 208 South La Salle Street, Chicago 4, Ill.

Florida Tile Industries Inc.—Analysis—Johnson, Lane, Space and Co., Inc., 16 North Laura Street, Jacksonville 2, Fla.

Also available is an analysis of Horne's Enterprises, Inc.

Harris Intertype Corp.—Analysis—Eisele & King, Libaire, Stout & Co., 50 Broadway, New York 4, New York.

Also available is an index of Real Estate Investing Company stocks.

Hercules Powder—Memorandum—E. F. Hutton & Co., 7616 Girard Avenue, La Jolla, Calif.

Holiday Inns of America Inc.—Review—Equitable Securities Corporation, 322 Union Street, Nashville 3, Tenn.

Howard Johnson Company—Analysis—Harris, Upham & Co., 120 Broadway, New York 5, N. Y.

Inland Underground Facilities, Inc.—Bulletin—Scherck, Richter Co., 320 North Fourth Street, St. Louis 2, Mo.

International Minerals & Chemical Corp.—Report—Walston & Co., Inc., 74 Wall Street, New York 5, N. Y.

Interstate Life & Accident Insurance Company—Analysis—Charles A. Taggart & Co. Inc., 1516 Locust Street, Philadelphia 2, Pennsylvania.

R. H. Macy—Memorandum—Coggeshall & Hicks, 111 Broadway, New York 6, N. Y.

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

Oxford Paper Co.—Report—De Mott Associates, Inc., 600 Old Country Road, Garden City, N. Y.

Also available are comments on Baxter Laboratories and Fanny Farmer Candy Shops.

Pembina Pipe Line—Memorandum—Watt & Watt, Ltd., 6 Jordan Street, Toronto, Ont., Canada.

Philips Electronics & Pharmaceutical Industries—Memorandum—F. M. Mayer & Co., 30 Broad St., New York 4, N. Y.

Pioneer Natural Gas Co.—Memorandum—Eppler, Guerin & Turner, Inc., Fidelity Union Tower, Dallas 1, Texas.

Also available is a memorandum on Southwestern Insurance Company.

Pyle National—Memorandum—Sincere and Co., 208 South La Salle Street, Chicago 4, Ill.

Raytheon Company—Report—W. E. Hutton & Co., 14 Wall St., New York 5, N. Y.

Shell Oil Company of Canada Limited—Analytical brochure—James Richardson & Sons, Inc., 14 Wall Street, New York 5, N. Y.

Transcontinental Gas Pipe Line Corp.—Analysis—Hill Richards &

Don't Overlook
"Current News in the Field"
Appearing on page 37.

Co., Inc., 621 South Spring Street, Los Angeles 14, Calif.

United Financial of California—Memorandum—Uhlmann & Co., Inc., Board of Trade Building, Kansas City 5, Mo.

United States Plastics Inc.—Bulletin—Roman & Johnson, 15 Southeast Third Ave., Ft. Lauderdale, Florida.

Universal Oil Products—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Utilities & Industries Corp.—Analysis—New York Hanseatic Corporation, 60 Broad Street, New York 4, N. Y.

Weldtron—Memorandum—Richard Bruce & Co., Inc., 80 Pine St., New York 5, N. Y.

Wometco—Comment in current issue of "Investor's Reader"—Merrill Lynch, Pierce, Fenner & Smith Incorporated, 70 Pine St., New York 5, N. Y.

Also available are comments on Mattel, Airlines, Hayes Industries, Inc., Square D, BVD Company, General American Transportation Corp., Radio Corporation of America, Mary Carter Paint and Gillette Company.

Zion Foods—Analysis—Disby, Easton & Co., 40 Exchange Place, New York 5, N. Y.

Isaacs Member Of Midwest Exch.

CHICAGO, Ill.—Milton J. Isaacs, a senior partner in the investment firm of Straus, Blosser & McDowell, 39 South La Salle Street, has

been elected a member of the Midwest Stock Exchange, the firm has announced.

Mr. Isaacs, who succeeds the late Arthur S. Grossman as the firm's representative on the exchange, also is in charge of its trading operations. Known

to security dealers from coast to coast, he has spent more than 40 years in the securities business, most of which has been with Straus, Blosser.

Of his new membership, Mr. Isaacs said, "We regard membership on the Midwest Exchange as one of our firm's important assets because of the Midwest's excellent service and fast markets. We have also recently joined the Midwest centralized bookkeeping service, which uses electronic computers. We are confident this service will be of substantial assistance in our accounting and record keeping work."

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Continued from page 2

\$133.2 million. This is evidence of a management which is highly conscious of profit margins. Pre-tax earnings in 1960 were 16.6% of sales.

Federal-Mogul has its eye on the growing original equipment and replacement market abroad. In 1960, the company acquired from Renault a majority interest in a large manufacturer of engine bearings in France; this interest has since been increased to full ownership. Licensing agreements have been made with a manufacturer of roller bearings in Argentina and with a Japanese manufacturer of engine bearings. A Mexican subsidiary is wholly owned and one in Spain is partially owned.

As befits the largest producer of the three major types of bearings and oil seals, which are essential to mechanical devices of all kinds, Federal-Mogul conducts extensive research activities. A patented atomization process for producing metal powders was recently developed at Federal-Mogul research laboratories. Metal powders are used in bearing linings and potential customers are manufacturers of dies, molds, and filters.

Manufacturing facilities of three divisions of Federal-Mogul are being expanded this year. The largest of the additions is a new plant for the Bearings Company of America division at Greensburg, Ind. The new plant will be especially designed and equipped for the manufacture of radial ball bearings.

Sales for the year ending June 30, 1962 were \$150.2 million on which the company reported a net income of \$15 million. Earnings per share for the 12 months ending June 30 were \$3.07 per share. At 36, the stock is selling at less than 12 times earnings for the most recent 12-month period. At its present price, the \$1.50 annual dividend provides a 4.2% yield. Dividends have been increased each year in all but one of the last 10 years.

Finances are strong; at year end company had no debt and its capitalization consisted solely of 4.89 million common shares. Stock is suitable for investment accounts seeking a satisfactory current yield from a company with a profit and expansion-minded management. The stock is listed on the NYSE.

Knight Joins Emanuel, Deetjen

Peyton H. Knight has become associated with Emanuel, Deetjen & Co., 120 Broadway, New York City, members of the New York Stock Exchange and other leading exchanges, in the underwriting department. Mr. Knight was formerly in the syndicate department of S. D. Fuller & Co.

Singer, Deane To Admit to Firm

PITTSBURGH, Pa.—On Oct. 1st, Singer, Deane & Scribner, Union Trust Building, members of the New York and Pittsburgh Stock Exchanges, will admit to partnership Norman B. Ward, Jr., Charles E. Jacobs, Robert J. Cunningham, Thomas L. Barr, George H. Kingsley, Jr., M. Griffith Rafferty, Sr., and Eugene J. Frank. Mr. Ward is a partner in Norman Ward & Co. Mr. Cunningham is manager of Singer-Deane's municipal Bond department.

Colorado Interstate Gas Co.

By Ira U. Cobleigh, Economist

An appraisal of this prosperous pipeline company, and producer and marketer of gas, oil and helium, particularly in light of its recent acquisition of Colorado Oil and Gas Corporation.

Investors value the equities of regulated utilities because (usually) of the assurance and stability of earning power, which regulation fosters. Equally, they value the freedom, diversity and flexibility of business investment, and, frequently, higher rates of return thereon, afforded by unregulated companies. Accordingly, the company selected for review today has a special and dual attraction in that its business shows a nice balance between its regulated and unregulated sectors, and produces a quite rewarding return on invested capital.

Acquisition

Until July 2, 1962, Colorado Interstate Gas Company was essentially a natural gas pipeline system of some 3,646 miles, transporting gas directly from the Texas Panhandle and Western Oklahoma, and indirectly through a Wyoming interconnection with El Paso Natural Gas, to Denver, Colorado. Ten years ago CIG organized a subsidiary, Colorado Oil and Gas Corporation, to explore for, and produce, oil and gas and to refine and market petroleum products. Colorado Oil, itself, has two oil and gas subsidiaries and Marsh Instrument Company Division, which is a large producer of pressure gauges, valves, thermometers, regulators, etc. There is also another wholly owned subsidiary, having a one-eighth interest in a 4 million acre concession in Tunisia, now under exploration. Colorado also owns a half interest in a 46 mile crude pipeline, and a major interest in a gas processing plant. Further, Colorado Oil retails refined petroleum products under the "Derby" brand name, through 737 service stations in seven midwestern states.

Colorado Oil and Gas has grown rapidly and, in 1961, grossed just short of \$50 million. This year, CIG, which had long owned 57% of Colorado Oil, decided to acquire, if possible, the rest (publicly held); so it offered one share of CIG common for three of Colorado, and, in this way, increased its holdings to 95% of the now outstanding 3,152,786 shares. All of which makes Colorado Interstate an integrated and broad-spread gas and oil production, transport and marketing organization, grossing over \$120 million annually.

Reserves

Colorado Interstate itself now owns or controls 1,237,000 petroleum-prone acres, with over 800,000 regarded as proven. On the 291,600 acres it owns, recoverable gas reserves have been estimated at 2.9 trillion C.F. Add to these reserves the half billion C.F. of natural gas and 30 3/4 million barrels of crude oil and condensate in reserves of Colorado Oil (estimated, on March 20, 1962) and you get some idea of the magnitude of the in-the-ground assets of CIG.

For 1961, 78.5% of gas sales were interstate, and, hence, under regulation by Federal Power Commission, leaving 21.5% sold intrastate. With this division of gas sales, plus the nonregulated oil, gas, helium and instrument business revenues, less than 50% of total indicated annual revenues (in the order of \$120 million) are subject to regulation.

Partly because CIG has at its disposal such a large store of low cost owned reserves, its delivered gas rates, in general, are most attractive to buyers, and lower than those charged in other comparable service regions. Interstate rates are established, and not subject to refund; and, the last rate

discussion with the FPC was settled with allowance for a 6% return on property investment. Actually putting together the operating results of Colorado Interstate and Colorado Oil, for 1961, on a pro forma basis, the return would have been about 7.7% on combined capitalization, and 14 1/2% on net worth. These are quite attractive and rewarding ratios, and considerably above the average for pipelines companies.

For the future, there are the prospects of increased reserves brought in on owned and controlled acreage; rising rates over time; and a considerable expansion in revenues from helium, from a projected total investment of \$25 million in enlarged plant facilities. Helium, formerly in great demand for use in balloons and dirigibles, is now one of the strategic minerals of the space age. Further ahead, is the Rock Springs Project, a \$163 million proposed pipeline for delivery of additional gas supplies to Southern California. CIG is a partner with El Paso Natural Gas in this line, and its share of total cost is \$93 million. Competitors have been objecting to this project, and the Federal Power Commission has given no final ruling or authorization. If the Rock Springs

Project is developed as planned, however, it might, by 1965, increase present per share net of CIG by as much as 25%.

Combined capitalization is about \$93.4 million in debt, \$31.9 million in preferred stock, \$1,339,000 in minority interest, and \$60 million in Capital and earned Surplus, distributed among 2,874,911 common shares. Indicated per share book value is around \$21. Colorado Interstate common is a highly respected equity, owned by some 10,000 stockholders, including over 50 financial institutions. Per share earnings on the common appear in a long term uptrend, and the figure for 1962 has been projected at \$2.75. On this basis, the present \$1.25 dividend is well protected, and quite possibly might be increased. Dividends on CIG have been paid continuously since 1951, and there was a 40% extra in stocks in 1960.

The common of Colorado Interstate is actively traded over-the-counter, and has ranged in price during the past five years between a low of 26 1/4 and a high of 50 1/4. The present quotation of 41 is, thus, substantially below the historic high, and only 15 times indicated 1962 per share net. (The average pipeline stock today sells at about 16 1/2 times net.)

Because of the rapid growth rate of CIG, the diversity of its operations, its above-average returns on invested capital and the prospect of higher dividends, Colorado Interstate common appears to be attracting sound buying, by perceptive growth-minded investors.

Schweickhardt's Trading Dept.

NEW ORLEANS, La.—Schweickhardt & Co., Hibernia Building, members of the Midwest Stock Exchange, have opened a trading



T. J. Feibleman

department under the management of Walter R. Green and T. J. Feibleman. Mr. Feibleman was formerly an officer of Dorsey & Co., Inc., and prior thereto conducted his own investment business in New Orleans for many years. Mr. Green was with Howard, Weil, Labouisse, Friedrichs & Company.

Singer, Bean Philadelphia Br.

PHILADELPHIA, Pa. — Singer, Bean & Mackie, Inc. have announced the opening of a branch office at 121 South Broad Street under the direction of Jack Christian and James B. Flanigan. Mr. Christian was formerly in the trading department of Janney, Battles & E. W. Clark, Inc. Mr. Flanigan was with Jennings, Mandel & Longstreth.

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

NEW ISSUE September 13, 1962

23,000 Units

Washington Trotting Association, Inc.

\$2,300,000

6 1/2% Subordinated Sinking Fund Debentures due 1977

and

276,000 Shares

Non-Voting Common Stock, \$1 Par Value

These securities are offered only in units consisting of a Debenture of \$100 principal amount and 12 shares of Non-Voting Common Stock. After December 1, 1962, or such earlier date as the Board of Directors of the Company may determine, the Debenture and shares of Non-Voting Common Stock will be transferable separately.

Price per Unit—\$175.00
(Plus accrued interest from September 1, 1962)

Copies of the Prospectus may be obtained in any State only from such of the undersigned underwriters as may lawfully offer the securities in such State.

Moore, Leonard & Lynch	Stroud & Company <small>Incorporated</small>
Singer, Deane & Scribner	Ball, Burge & Kraus
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Janney, Battles & E.W. Clark, Inc.	Laird, Bissell & Meeds
Schmidt, Roberts & Parke	Wright, Wood & Co.
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Thayer, Baker & Co. Inc.	Yarnall, Biddle & Co.

The West Must Wake Up To Space Rocket Economics

By Paul Einzig

Dr. Einzig strongly urges the West to delay advances in the standard of living pace and use resources freed from furthering affluence to outdistancing the Soviet Union's achievement in rocket research. The writer is well aware of the difference in cost, in terms of human exploitation and democratic rights, between Soviet and our rocket progress. Nevertheless, he argues we can't rest content in knowing the difference, and recommends, for example, that we stop our frequent auto model changes and divert the technological brains so used to eliminate momentary superiority of Soviet rocket technology.

LONDON, England — A Hamburg newspaper published recently a caricature showing a Russian agricultural worker staggering under the burden of a colossal space rocket. The cartoon was topical because just at that time the disappointing progress of agriculture in the U. S. S. R. was given much publicity in the Communist Press and in statements by Communist leaders from Mr. Khrushchev downwards. Needless to say, in apportioning the blame for the inadequate output, he omitted to mention the obvious fact that the reason why collective farms had not enough tractors was that an unduly large proportion of the country's resources was used up for the costly projects of space rockets.

This aspect of the subject has not received nearly enough publicity in Western countries. When well-deserved tributes were paid recently to the two Russian cosmonauts and to Russian science and technology that made their success possible, Western newspapers ought to have pointed out the fact that this success could only be achieved at the cost of delaying the progress in the standard of living of the hundreds of millions of people behind the Iron Curtain. Apart from the instance of tractors referred to above, it is necessary to recall that only recently Soviet Russia and the satellite Governments decreed a sharp rise in the price of meat and other essentials with the declared object of discouraging consumer demand.

At a moment when Communist propaganda presents the latest Russian success in respect of space rockets as an argument in support of the claims of an alleged superiority of the Communist system over the capitalist system, it is well to remember that progress in space rockets in the United States has not been achieved at the cost of sacrificing the standard of living of the American people. The standard of living of the Russian people is still shockingly low and the peoples of satellite countries are ruthlessly exploited

by the imperialist colonialists of Moscow. In East Germany, for instance, conditions are so bad that a great many people are prepared to risk the bullets of the frontier guards for the sake of a remote chance of getting across the wall. Even the highly privileged East German security police has now to be content with reduced privileges, which fact speaks for itself in a country whose regime depends on them for its very existence.

Importance of Rocket Research

While the Soviet Government ruthlessly sacrifices the standard of living of its people for the sake of winning the race in space, it is possible that the American attitude errs to some extent in the opposite direction. Since it is important from a military as well as prestige point of view to keep up with the Soviet Union in rocket research, it seems to be a pity that Western countries do not devote a larger proportion of their resources to that end, even at the cost of delaying a further progress of their relatively high standard of living. For instance, it may well be asked whether it is really so important for American and other Western owners of automobiles to buy the latest models every year. This fashion may suit the sectional interests of the automobile industry, but it does divert a very high proportion of resources to the production of an excessive number of automobiles.

It would be possible for the governments concerned to discourage this practice—which was compared by Professor Galbraith to the wasteful display of wealth by means of destruction that had been practiced by savage Indian tribes—with the aid of some form of taxation increasing the cost of such luxury. If only the manpower resources and technological research required by the frequent change of models could be diverted to rocket research and production I am convinced that the United States would soon surpass the Soviet Union.

As things are, any substantial increase in expenditure on rocket research and production would tend to aggravate the pressure on the dollar since it would be superimposed on a heavily overloaded economy. From this point of view the fact that at the moment American industry is not working at full capacity and that any curtailment of demand for automobiles would further increase its unused capacity, is irrelevant from the point of view of long-run trends.

As far as Britain is concerned a release of manpower, attracted from other industries by the higher pay which the automobile industry can afford to pay because of the motoring craze of the British public, would change the balance of power and would enable the government and employers to resist wage inflation. This again would enable them to resume economic expansion without running the risk of accentuating the inflationary undertone of the economy.

Technological Waste of Brain Power

Many of the best brains in technology waste their knowledge and experience in serving the competition between rival automobile manufacturers who outdo each other in producing their new models at frequent intervals. If they could become available for rocket research as a result of a policy of discouraging the frequent change of models, this should go a long way towards reducing and eliminating the momentary superiority of Soviet rocket technology. That superiority is simply due to the fact that a larger number of scientists and technologists have been available in Russia for the purpose. Not only had the Russians trained a larger number of scientists and technologists but they took care not to waste this highly skilled manpower on providing their public with more and more automobiles of an increasingly superior quality. Surely progress in rocket research, on which our very survival might depend, is more important than the desire to cater for the snobbery of possessing the very latest model of automobile.

Gas Stock Prices Show 8% Gain From June Low

Natural gas common stocks, on Aug. 31, were up 8.8% from the 1962 low of \$52.75 set in June, according to the American Gas Association.

The average August closing price for natural gas common stocks was \$57.37, only 5.3% below the closing price a year ago, according to A.G.A.'s monthly summary of data tabulated weekly by Moody's Public Utilities. This is equal to a yield of 4.13% on the current dividend rate which was recently increased to \$2.37 a share.

The average transmission company stock closed the month at \$61.05, down 3.4% from the closing price of August, 1961. The current dividend of \$2.87 a share affords a return of 4.70%.

Distribution company stocks sold at an average price of \$58.25 a share, 6.7% below a year earlier. The dividend rate of \$2.01 a share is equal to a return of 3.45%.

Exchange Firms Annual Meeting

On Nov. 14, 1962 The Association of Stock Exchange Firms will hold its Annual Meeting of Members and organizational meeting of the Board of Governors. Dinner will be held at the University Club.

Hitachi, Ltd. Places Convertible Debentures Privately



Chikara Kurata, Chairman of Hitachi, Ltd. (seated left), signs agreements for sale of \$16,500,000 of 6½% convertible debentures to a group of U. S. institutional investors. Watching are: Frederic H. Brandt, Chairman of Dillon, Read & Co. Inc. (seated right), which negotiated the placement, and Goro Sakaguchi, Financial Vice-President of Hitachi, Ltd. (standing). Hitachi, Ltd. is Japan's largest privately-owned enterprise and is the first Japanese company to issue convertible securities in this country.

Hitachi, Ltd. has announced the placement Sept. 12 of \$16,500,000 of 6½% convertible debentures, due Sept. 30, 1977, with a group of institutional investors. Dillon, Read & Co. Inc. negotiated the placement which is unique both here and in Japan as the first sale of convertible securities by any Japanese company in the United States.

Close cooperation and months of work on the part of the company, its bankers and the Japanese Ministry of Finance was necessary to develop this new method of financing and co-ordinate Japanese and United States financial and legal practices in as much as convertible securities have been rarely issued in Japan. It is expected that, now that the groundwork has been done, this approach to the United States market will be taken by other foreign companies.

The debentures, which constitute the first financing by this company outside of Japan, will be convertible at their principal

amount into common stock at any time prior to Sept. 30, 1977.

The company, which began in 1910 as a small repair shop for mining equipment is now Japan's largest privately owned industrial enterprise and the largest and most diversified manufacturer of electrical machinery and appliances in Japan. It ranks eleventh in size among industrial companies outside the United States and is one of the few foreign companies which have supplied equipment for Federal power projects in the country.

Hitachi produces over 10,000 different products ranging from the largest types of generators and other electric power equipment, heavy industrial equipment, elevators and locomotives to electron microscopes, household electric appliances and transistor radios. It is presently engaged in an expansion program which is expected to require the expenditure of approximately \$500,000,000 for construction purposes over the next five years.

Heads Div. in USO Drive

Robert F. Meffert, a general partner in Bache & Co., will serve as chairman of the New York Stock Exchange Division of the USO of Greater New York during its current campaign to raise funds in order to operate USO facilities throughout the world.

The announcement was made by Major General Melvin L. Krulwich, USMCR (Ret.), chairman of the New York State Athletic Commission and campaign chairman of the New York City USO. To meet requests from the Department of Defense for USO facilities in this country and overseas, USO is seeking \$11,132,000 nationally, while a goal of \$600,000 has been set for New York City.

In accepting his appointment, Mr. Meffert pointed out that nearly half of our military forces are currently stationed overseas:

"Many of our young men have been sent to barren outposts, where boredom is a constant companion. The least we can do is show them that they haven't been forgotten," he said.

"Through USO we have the opportunity to prove that we at home are grateful for the sacrifices being made on our behalf," he added.

A graduate of Yale and the Harvard Business School, Mr. Meffert spent five years in the Navy, where he achieved the rank of Lt. Commander.

Hardy Inv. Course

Hardy & Co., members of the New York Stock Exchange, will present an informal course for adults on "Investment for Security and Income," to be given Wednesday evenings starting Oct. 3, at the Barbizon Plaza Hotel, New York City.

The fee for the course, which includes all materials, is \$15.

This advertisement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by Prospectus, copies of which may be obtained in any state from such of the several Underwriters, including the undersigned, as may lawfully offer the securities in such state.

SAWYER'S
INC.

\$1,250,000

6% Convertible Subordinated Debentures

Due September 15, 1977

Price 100%

(Plus accrued interest from September 15, 1962)

100,000 Shares Capital Stock

(Par Value \$2.50 Per Share)

Price \$6.25 Per Share

Straus, Blosser & McDowell

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September 14, 1962

American Business Keeping Investment Plan Schedules

By Douglas Greenwald,* Manager, Department of Economics, McGraw-Hill Publishing Company, New York City

Pluses and minuses in the economy's sectors add up to a favorable outlook for the rest of the year. Buttressing this forecast that there is nothing in sight indicating a change in direction of the economy is a recapitulation of the recent McGraw-Hill checkup showing that business still plans to invest the same amount as it reported earlier this year, and a considerably larger amount than anticipated last fall. Plant and equipment spending in 1962 is put at \$37.96 billion, or 10.4% increase over 1961. The McGraw-Hill recheck was taken just before the stock market recovery, before the cut in margin requirements, and before depreciation guidelines were liberalized and some evidence is found in support of the view that the impact of the aforementioned developments may be slow in effecting capital spending.

My assignment is to discuss the current and short-run health of the economy with particular reference to the key area of the economy—private investment in new plants and equipment. My contribution, for the most part, will be based on recent important factual information from McGraw-Hill's surveys of business' anticipations. And results of these surveys indicate that capital investment intentions by business constitute an element of strength in the business outlook.



Douglas Greenwald

In my Department of the McGraw-Hill Publishing Company we have made surveys of plans for business' spending on new facilities for 15 years. We also maintain a monthly index of new orders for nonelectrical machinery which reflects the new incoming business of producers of capital equipment, and a quarterly forecast index of machinery orders, which reflects the producers' expectations for four quarters ahead. The indexes cover a relatively small number of large manufacturers of machinery.

We generally survey business on its plans for domestic investment twice a year—in the spring and in the fall. The spring survey is very comprehensive and is geared to longer-range plans; the fall survey covers fewer questions and is geared to short-range plans.

In October 1961 we carried out our fall survey of business' plans for 1962 and 1963. Our comprehensive survey of business' plans for 1962 to 1965 was made during March and early April of this year. At the end of June we carried out a special check-up of plans.

The McGraw-Hill check-up of spending plans showed that business, in general, is planning to invest approximately the same amount in new plants and equipment in 1962 that it reported to us in our comprehensive survey taken earlier this year, and a considerably higher amount than it

anticipated last fall. The table below shows the results of the three McGraw-Hill surveys and actual 1961 capital expenditures as reported by the U. S. Department of Commerce.

Business Investment Plans Have Not Been Cut

Our fall 1961 survey indicated that business had plans to invest \$35.84 billion in 1962, an increase of about 4% over 1961. Over the past several years our fall surveys of business' plans have always provided the correct direction of change in investment as well as fairly reliable indications of the degree of change.

The McGraw-Hill comprehensive survey of business' plans for new plants and equipment taken early this spring indicated that business firms had raised their investment sights significantly from the fall. Planned investment for 1962 was \$37.98 billion, up 10.5% over 1961. During the years that we have been making these spring surveys, they have proved remarkably accurate in indicating the trend of overall investment for the year ahead, except in 1950, when all plans were altered by the Korean War. During the last decade, the average error between the McGraw-Hill survey's planned percentage change and the Department of Commerce's percentage change for actual data is only 3.5%. We do not conclude from this experience, however, that we have a sure-fire forecasting device. We claim nothing for the results of our surveys except that they report present plans. We heavily emphasize the proposition that our surveys are not promises of what is actually going to happen.

Our special check-up in late June showed that business planned to spend \$37.96 billion on new plants and equipment this year, up 10.4% over 1961. This check-up was based on plans of a substantial cross-section of business, accounting for 35% of total capital investment. For the most part the results reflect the plans of large companies. This recheck provided no indication of what small companies were doing about their investment. To begin with, investment plans of small companies were not up as much for 1962 as those of larger companies. The downward movement of the stock market in May and June may have had some impact on their

investment plans. However, small companies account for a relatively small percentage of total capital investment.

Our check-up pointed up the fact that business in general had not cut back or cancelled plans for investment in new facilities in 1962 as a result of the sharp drop in stock prices in May and June or the so-called loss of business confidence.

Manufacturing industries overall planned to invest \$15.3 billion this year, down about \$110 million from plans reported to us in the spring. Steel, machinery, electrical machinery, stone, clay and glass and miscellaneous manufacturing industries plan to invest less in 1962 than they did earlier. However, transportation equipment—aircraft, railroads and shipbuilding—fabricated metal products and instruments, chemicals, rubber and food industries plan to increase their capital expenditures this year more than planned originally.

Among non-manufacturing industries, railroads and utilities planned slightly higher capital investment for 1962 than they did earlier, while the mining industry cut its plans.

About 80% of the companies that answered in our recheck indicated they had made no change in their 1962 plans for new plants and equipment. The remaining 20% indicated some changes in their planning. But this group was split right down the middle, with half increasing plans and half cutting them.

Among the companies indicating investment cut-backs, only a very few cited economic condi-

tions as the reason. In most cases where investment plans were lower than they were earlier, the reasons given had absolutely nothing to do with a lack of business confidence or the drop in the stock market. Instead, technological delays and construction delays were the reasons given.

We should point out that in past years of high and rising business activity a large number of companies increased investment plans during the year. This has not been the case so far in 1962.

Post June Developments Slow to Affect Investment Spending

This recheck was taken before stock market prices began to recover, before margin requirements were reduced from 70% to 50% and before Revenue Procedure 62-21, with its more realistic depreciation guidelines regarding lives of machinery and equipment, became effective. It is conceivable that these three factors, along with the 7% tax credit for new machinery and equipment purchases, which Congress may soon make a part of the nation's law, could result in higher capital expenditures at the end of this year than are now anticipated by companies and by business economists in general. However, it is my opinion that their impact on capital spending may be slow in coming.

We have some factual evidence on this point. In our spring survey, we asked the question, "If the administration's program of tax incentives for investment were enacted, how much would this increase your capital expend-

itures in 1962?" Business as a whole indicated that it would raise its 1962 plans by only 1%, or about \$300 million. Nine out of every 10 companies replying indicated that they would not use such a program at all in 1962.

The fact that American business is going ahead with its investment plans for 1962 was not a surprise to us. It confirmed our belief that business' plans for new plants and equipment, once made for the year ahead, are generally carried out. In the past, wars, recessions and booms have led to significant changes in investment plans. But in my view, we are not likely to be in any of these three situations this year.

Also, it makes good sense for businessmen to go right ahead with their modernization programs in 1962. Business firms reported to us in our recent check-up that this year's capital investment programs are stressing modernization, with the hope that these cost-cutting projects will result in better profit margins. In our earlier survey this year, manufacturers reported that they planned to devote 70% of their 1962 investment dollar to modernization. The reason for their concern is obvious. About 40% of U. S. plant and equipment dates back to before 1951, and nearly 25% goes back to World War II or even before that. These significant statistics were also revealed by our spring survey.

No New Capacity Planned

Only a very small percentage of investment is going for new

Continued on page 12

Business Plans for Capital Spending in 1962

(Billion Dollars)

Industry	1961 Actual*	1962 Planned		
		as of October 1961	as of March & early April 1962	as of end of June
All Manufacturing	13.67	14.59	15.41	15.30
Mining	.98	.99	1.09	1.08
Railroads	.67	.64	.85	.87
Other Transportation & Communications	5.07	5.03	5.50	5.50
Electric and Gas Utilities	5.52	5.87	5.74	5.82
Commercial	8.46	8.72	9.39	9.39
All Business	34.37	35.84	37.98	37.96

* U. S. Department of Commerce

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

NEW ISSUE September 18, 1962

676,220 Shares

Arizona Public Service Company

Common Stock

\$2.50 Par Value

Price \$28.75 per share

Copies of the Prospectus may be obtained from any of the several underwriters only in States in which such underwriters are qualified to act as dealers in securities and in which the Prospectus may legally be distributed.

The First Boston Corporation		Blyth & Co., Inc.	
Merrill Lynch, Pierce, Fenner & Smith <small>Incorporated</small>	Stone & Webster Securities Corporation	White, We'd & Co. <small>Incorporated</small>	Dean Witter & Co.
A. C. Allyn & Co.	Bache & Co.	Hemphill, Noyes & Co.	E. F. Hutton & Company Inc.
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Pacific Northwest Company	Pasadena Corporation	Smith, Moore & Co.	

American Business Keeping Investment Plan Schedules

Continued from page 11

capacity this year. Most of this is going for capacity for new products which are an important part of the payoff of industry's tremendous expenditures on research and development during the last decade. Little investment is going for additional capacity for existing products.

Based on the McGraw-Hill measures of manufacturing operating rate, we estimate that manufacturers, on the average, are currently utilizing 84% of their capacity, whereas they prefer to operate at about 90%. Therefore, it is true that industry has a modest amount of excess capacity at present. And the gap between the operating rate and the preferred rate may widen if manufacturing output were not to continue to expand during the rest of the year.

As this committee well knows, my Department compiles the only direct measure of manufacturing capacity. Only a few months ago I testified on the McGraw-Hill measures of capacity before the Subcommittee on Economic Statistics of the Joint Economic Committee. In its report on *Measures of Productive Capacity*, the Committee recommended and I quote, "an exploration of the McGraw-Hill techniques would offer an excellent opportunity for a joint public-private project in which McGraw-Hill, the pioneer of this technique, might work in cooperation with a suitable government agency." We at McGraw-Hill are giving this project serious consideration.

Another piece of evidence that confirms our belief that investment will continue to expand throughout the rest of this year is provided by the quarterly McGraw-Hill Non-electrical Machinery New Orders Forecast Index. For today's hearings, I have had computed, earlier than usual, a preliminary estimate of our forecast index for the four quarters ahead. Although this index does not provide a precise gauge of the future level of new orders, it provides an indication of relative changes in the confidence of machinery manufacturers.

Capital Goods Manufacturers

Capital goods manufacturers now expect to book a far bigger dollar volume of new orders in the current quarter than they ever did before. They anticipate that new orders will subsequently fall off and that the decline will continue into the first quarter of 1963. They forecast that the second quarter of 1963 will see a slight pick-up in their new orders.

The group of machinery manufacturers reporting forecast to us in our current quarterly survey are slightly less optimistic about prospects for new orders for the last two quarters of 1962 than they were three months ago. One reason for decreasing optimism about the immediate future among this particular group of companies is the fact that their actual incoming new orders in June dropped by about 10%. But despite this sharp drop for one month, their anticipations for the last half of 1962 are only off about 2% from what they were back in April. And most of the returns for this calculation arrived in my office before the new procedure for depreciating machinery became effective.

Corporations now have a high enough rate of cash flow to finance a considerably higher level of investment than is now planned for 1962. Our comprehensive survey taken early this year showed that businessmen anticipated increasing their volume of cash flow, composed of retained earnings and depreciation, at a faster rate than their investment in new plants and equipment. At that time they expected to increase cash flow by 14% and investment by only 10.5%.

It is my belief that the McGraw-Hill data on plant and equipment expenditures indicate that this key segment of the economy will continue to expand this year. If plans hold up for the year as a whole, then the quarterly rate of capital expenditures may be expected to reach \$39 billion in the fourth quarter compared with a rate of about \$37 billion in the second quarter.

Other Major Areas

I now turn briefly to other major areas of the economy: Inventories, Consumer Spending, Housing, the Net Export Balance and Government Spending.

Inventories are currently being built up at a much more moderate pace than earlier this year. In the first quarter, business was accumulating inventories at an annual rate of about \$6.7 billion. In the second quarter the rate dropped to about \$3.5 billion. In the current quarter, it probably is still lower. The rate of addition to inventory will continue to slow down during the rest of the year. However, considering the relatively low inventory-to-sales ratios, it is unlikely that business will reverse its policy soon and let its inventories run off. However, a declining rate of inventory addition means that the negative impact on our nation's total dol-

lar volume of business has already taken place.

Consumer expenditures, which are by far the largest sector of the total business picture, are dependent on many psychological factors. I will leave the discussion of this sector to George Katona, except to note that as long as personal income rises, and at this time we cannot see any reason to expect it to turn down before year end, consumer spending on goods and services may be expected to follow the same general path.

Housing is booming. Private starts in the second quarter were exceedingly high at an annual rate of nearly 1.5 million units, despite a drop in June. And because of the lag between a start and put in place construction, we can look for the dollar volume of new housing construction to break through previous record highs.

The net export balance is just about holding its own. Exports have been holding up very well, while imports have not increased significantly. We do not expect to see a significant change from the current rate of surplus of exports over imports during the rest of the year. Thus the net export situation will have a neutral effect on the economy in the months ahead.

This year's Federal budget guarantees a modest rise in Federal spending right through the end of the fiscal year, June 30, 1963. However, the increase during the current fiscal year will be considerably smaller than the big gain registered during fiscal 1962. Meanwhile, state and local spending on highways, schools and other projects is due for a large increase over the coming months. States and cities are taking advantage of relatively easier money markets to issue a record volume of construction bonds.

In conclusion, the pluses and minuses of the various sectors of the economy add up favorably for the rest of the year. There is nothing now in sight which clearly indicates that in the next few months there will be a marked change in the direction of the economy.

*Statement by Mr. Greenwald before the Joint Economic Committee, U. S. Congress, Washington, D. C.

R. Newcomb Joins Consultants

Dr. Robinson Newcomb, business and government economist has become associated with the staff of Welling & Woodard, Incorporated, management consulting 30 East 42nd St., New York City. Continuing his well established consulting practice in Washington, D. C., he will also be available to clients of Welling & Woodard for counsel, studies, and planning in the field of industrial economics.



Robinson Newcomb

Yates, Heitner To Admit Doll

ST. LOUIS, Mo.—Yates, Heitner & Woods, 819 Pine Street, members of the New York and Midwest Stock Exchanges, on Sept. 27, will admit Paul W. Doll, Jr., member of the New York Stock Exchange, to partnership. Mr. Doll will withdraw as an officer of Semple, Jacobs & Co., Inc., on that date.

Shin Mitsubishi Financing Completed



Andrew N. Overby, Vice-President of The First Boston Corporation, and Takaji Shimizu, Executive Vice-President of Shin Mitsubishi Heavy Industries, sign documents relating to \$10,000,000 Shin Mitsubishi Heavy Industries convertible debentures, which are being offered publicly by a group headed by The First Boston Corporation and The Nomura Securities Co., Ltd. Looking on are Minoru Segawa, President of The Nomura Securities Co., Ltd. (left) and Yuji Sato, Managing Director of Shin Mitsubishi Heavy Industries. This is the first time a Japanese company has offered publicly a convertible debenture issue in the American market.

Canadian Consumer Buys Two-Thirds of Total Output

Bank of Montreal analysis finds that consumer expenditures of \$25 billion now comprise two-thirds of \$38 billion GNP. Services have increased their share by 3% in the 1954-1961 period whereas durables and nondurables declined 1% and 2% respectively.

Since consumer spending takes up nearly two-thirds of Canada's gross national product, even a small percentage change in spending can significantly effect the economy, according to the Bank of Montreal *Business Review* for August, issued this month.

The review pointed out that annual expenditures for goods and services total nearly \$25 billion, while the gross national product now amounts to some \$38 billion.

Between 1954 and 1961, Canada's population rose some 19%, while personal income after taxes increased by 50%, the bank said.

In the same years, while expenditures for all goods and services also increased by about 55%, spending on services went up by more than 60%.

Services Increase

Thus in broad figures, services increased their share of the total between 1954 and 1961 by about 3%. In the same period, by contrast, the shares of the durable and non-durable sectors dropped about 1 and 2% respectively.

The shifts which have occurred in the relative importance of spending in the three categories "are manifestations of a trend that has considerable structural significance for the economy as a whole," the bank opined.

In the shorter run, however, "the course of expenditures in

each of the three categories throughout the business cycles has had a more immediate impact on the level of business activity and the prosperity of individual industries.

Habas Pres. of Mutual Mgmt.

Eugene J. Habas has been elected President and Director of Mutual Management Company, Inc., 120 Wall Street, New York City. Mr. Habas was formerly an officer of Hugh W. Long & Co., Inc.

Faulkner, Dawkins To Admit Partner

Faulkner, Dawkins & Sullivan, 60 Broad Street, New York City, members of the New York Stock Exchange, on Sept. 27th will admit Harry J. Smalls to partnership. Mr. Smalls will acquire a membership in the Exchange.

All of these shares having been sold, this notice appears only as a matter of record.

NEW ISSUE

September 18, 1962

140,000 Shares
G.M.S. Stores, Inc.

Common Stock
(Par Value \$10 per share)

Price \$4.00 per Share

Copies of the prospectus may be obtained from the undersigned

Preiss, Cinder & Hoffman Inc.

5 BROADWAY, NEW YORK 4, N. Y.

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The State of TRADE and INDUSTRY

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

The mid-September summary of national business conditions published by the Federal Reserve System, Washington, D. C., follows: "Industrial production and construction activity were unchanged in August. Personal income changed little and retail sales, which had risen sharply in July, were about maintained. The unemployment rate increased as the labor force showed an unusually large rise. Seasonally adjusted bank credit increased reflecting in part a substantial expansion in loans. Between mid-August and mid-September, common stock prices showed little net change.

Industrial Production

Industrial production was unchanged in August at 119% of the 1957 average. While output of consumer durable goods declined, activity in business equipment industries increased slightly further and production of materials was maintained.

"Output of television sets, furniture, and some other home goods declined further in August. Auto assemblies, which had risen substantially in July following settlement of a strike, were down slightly in August after allowance for the model-changeover curtailment. Reported schedules for September indicate a seasonal recovery in assemblies. Output of freight and passenger equipment increased further in August while production of most other types of business equipment was maintained.

"Changes in production among materials were generally small. Output of iron and steel, which had declined about one-fourth through the spring, increased moderately in August. Production of nondurable materials declined somewhat.

Construction

"The value of new construction activity in August, at a seasonally adjusted annual rate of \$62.2 billion, was unchanged from July and slightly below the record level reached in June. Residential construction activity declined further in August while some types of business construction increased and public activity recovered to its June level.

Employment

"Seasonally adjusted employment in nonfarm establishments declined slightly in August as reductions in manufacturing were offset only in part by gains in service industries, government, and some other lines. Layoffs at automobile plants, associated with the model-changeover curtailment in production, accounted for about one-half the reduction in manufacturing employment. Average weekly hours in manufacturing continued to decline. Reflecting mainly an unusually large increase in the civilian labor force, the unemployment rate rose to 5.8% from 5.3% in July.

Distribution

"Retail sales, after a rise of 3% in July to a new high, were about maintained in August. Sales at durable goods stores declined, reflecting a moderate decrease in sales of new domestic and imported cars to a seasonally adjusted annual rate of about seven million units. Sales declined at department stores, to 114% of the 1957-59 average from 115 in July, but advanced at most other types of outlets selling nondurable goods.

Commodity Prices

"Prices of industrial commodities, materials and finished

products, generally have continued to change little in recent weeks. Prices of livestock, which had increased moderately earlier this summer, rose 5% in the first ten days of September to a level more than 10% above a year earlier. The reduction in marketings of meat animals during the week including Labor Day was much larger than usual. Subsequently, marketings increased substantially and prices turned down.

Bank Credit and Reserves

"Total commercial bank credit, seasonally adjusted, increased in August by more than it had declined in July. Loans rose much more than in other recent months. Holdings of U. S. Government securities increased somewhat following a large decline in July while holdings of other securities rose at a less rapid rate than earlier. The money supply declined; U. S. Government deposits at commercial banks increased substantially. Time deposits rose moderately further.

"Total reserves and required reserves of member banks declined in August. Excess reserves rose somewhat but member bank borrowings from the Federal Reserve also increased. Reserves were absorbed principally through a reduction in float and an outflow of gold. Reserves were supplied largely through increases in Federal Reserve holdings of U. S. Government securities.

Security Markets

"Yields on state and local government bonds declined considerably between mid-August and mid-September and those on corporate bonds declined moderately. Yields on long-term Treasury obligations changed little at slightly below the 4% level while yields on three-month Treasury bills fluctuated around 2.80%. On September 5, the Treasury announced an advance refunding, giving holders of \$26.8 billion of securities that mature in early 1963 an option to exchange them for 1967 and 1972 obligations."

Bank Clearings Rise 4.2% 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, Sept. 15, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 4.2% above those of the corresponding week last year. Our preliminary totals stand at \$29,767,540,647 against \$28,564,266,782 for the same week in 1961. Our comparative summary for some of the principal money centers follows:

Week Ended	(000s Omitted)		%
Sept. 15—	1962	1961	
New York	\$16,273,357	\$15,124,321	+ 7.6
Chicago	1,350,437	1,337,064	+ 1.0
Philadelphia	1,128,000	1,144,000	- 1.4
Boston	825,450	786,742	+ 4.9
Kansas City	537,116	518,647	+ 3.6

Steel's Output Up 2.5% From Preceding Week and Down 17.2% From Last Year's Week

According to data compiled by the American Iron and Steel Institute, production for the week ended Sept. 15, 1962, was 1,682,000 tons (*93.3%), as against 1,641,000 tons (*88.1%) in the week ending Sept. 8.

Data for the latest week ended Sept. 15, 1962, shows a production decline of 17.2% compared to last year's week output of 2,032,000 tons (*109.1%).

Production this year through Sept. 15 amounted to 71,301,000 tons (*103.4%), or 7.7% above the Jan. 1-Sept. 16, 1961, period. The Institute concludes with Index of Ingot Production by Districts for week ended Sept. 15, 1962, as follows:

	*Index of Ingot Production for Week Ended Sept. 15, 1962
North East Coast	92
Buffalo	84
Pittsburgh	84
Youngstown	71
Cleveland	81
Detroit	115
Chicago	96
Cincinnati	90
St. Louis	106
Southern	101
Western	93
Total	90.3

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

Automakers Hold Key to October Upturn

Automakers hold the key to an October upturn for the steel industry, *Steel* magazine said this week.

Mills that specialize in flat rolled products need increased orders for hot rolled and cold rolled sheets from automotive customers to offset seasonal declines in demand for tin plate and galvanized sheets.

Steel orders for October are running slightly ahead of the pace of September bookings a month ago, but there has been little change in the volume of automotive tonnage.

Ford and Chrysler may complete their steel inventory adjustments by the end of this month, but General Motors Corp. is not expected to do so before November. Until GM resumes buying, the order uptrend will be modest.

Ingot production this week will be slightly higher than the 1,670,000 tons that *Steel* estimated the industry poured last week.

Half of Our Open Hearth Steel Made With Oxygen

Because of slow demand, only the most productive furnaces are in use today, *Steel* pointed out.

Since the American Iron & Steel Institute stopped the publication of steel industry capacities in January, 1960, many open hearth furnaces have been converted to oxygen practice. Until now, the question was: How many?

A *Steel* survey found that 33% of the over 855 open hearth furnaces in this country have been converted to the oxygen technique. And the oxygen-equipped furnaces account for 50% of the nation's open hearth steel being made today.

Another production method offering economies, continuous casting, will be in use in the U. S. in less than three years, the metalworking weekly predicted. (The continuous casting method eliminates some steelmaking operations.)

More than three dozen continuous casting machines are in operation in other countries, and around 30 more on order or under construction.

A *Steel* check of major U. S. steel producers finds a number of them are deeply involved in investigations of the process.

The publication's scrap price composite on No. 1 heavy melting grade held at \$27 a gross ton last week. Buying for export is providing some support for prices on the East and West coasts, but market activity is lackluster elsewhere.

Steady Prices Predicted

Metalworking prices will probably continue steady for the next three to six months, a *Steel* check indicated. Consensus of executives contacted:

(1) Competitive pressures, both domestic and foreign, are keeping

Continued on page 38

FROM WASHINGTON ... Ahead of the News

BY CARLISLE BARGERON

The latest story going around Washington is:

President Kennedy: If I weren't President, I would be buying stocks right now.

Businessman: If you weren't President, I would, too.

The Senate did an unprecedented thing when it passed the bill giving President Kennedy \$900 million to spend on public works anywhere he pleased. It adopted an amendment by Senator Kerr of Oklahoma, saying the money must be spent on a bipartisan basis. Senator Humphrey of Minnesota, assistant leader, protested that this was the equivalent of instructing the President to be honest. He did not attempt to explain, however, that in the administering of the food stamp plan, of the 26 districts selected for the stamps 25 were Democratic and only one Republican.

This stamp distribution plan is likely to react against the Democrats in that they will be conceding that Republican districts are not as bad off economically as the Democratic districts.

For the first time since foreign aid became an issue, Congressman Passman of Louisiana, Chairman of the appropriations subcommittee on foreign aid, expects to make his reductions stick this year. Every year we are treated to the spectacle of Passman's subcommittee making a sizable cut in the foreign aid appropriations only to see the Senate restore practically all of it, if not all of it.

This year Mr. Passman intends to cut the almost \$5 billion authorization figures by \$1.3 billion and the most optimistic hopes are that the Senate will not restore more than \$300 million. Mr. Passman claims that foreign aid could

do without any additional funds, that it has enough money on hand to last two years. The Administration says this money is in the pipe line, in other words set aside for projects already planned or the work actually started. They have never been able to convince Mr. Passman of this.

Foreign aid is so unpopular in the House that it is a wonder any appropriation at all can get through that body. But in the past it has taken the Senate amendments lying down. At least it has accepted the lesser compromise cut.

Most observers were quite surprised at the comparative ease with which the House passed Mr. Kennedy's bill to buy \$100 million worth of United Nations bonds, particularly after it was revealed that the United States with its foreign aid money pays the dues of practically all of the smaller nations.

The UN apparently has withstood a strong blow when Herbert Hoover's proposal that it be substituted by a Council of Nations confined to Western nations, failed to catch fire.

This is surprising in view of the fact that Mr. Hoover can't by any stretch of the imagination be considered an isolationist.

Mr. Passman says that foreign aid spent only \$3.2 billion last year out of \$4.7 billion appropriated and the Administration admits there is a balance on hand of \$6.7 billion which it claims is in the pipe line.

Everything considered, foreign aid and even the UN are so unpopular in the country that it is amazing they survive year after year. For every one letter congressman get favoring foreign aid or the UN, they get ten against them.

This announcement is not an offer to sell, or a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

September 20, 1962

180,000 Shares Miracle Mart, Inc.

Common Stock
(\$1 Par Value)

Price \$10 Per Share

Copies of the Prospectus may be obtained from any of the undersigned only in States in which the undersigned are qualified to act as dealers in securities and in which the Prospectus may legally be distributed.

McDonnell & Co.
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| Baker, Simonds & Co., Inc. | Clemens & Co., Inc. | Courts & Co. |
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| Straus, Blosser & McDowell | | J. C. Wheat & Co. |

Nadler's Prescription for An Expanding Economy

Well known economist says tax reduction and reform, coupled with Federal spending limits, would assure continued business up-trend until family formation surge of latter 1960's commences. Terms recent stock market decline "a long overdue rectification" and not a definite portent of a decline.

A limit on Federal spending—not a ceiling on the National debt—was recommended recently by Dr. Marcus Nadler, consulting economist to Manufacturers Hanover Trust Co. He is, also, Professor of Banking and Finance at New York University.

In a report, *The Outlook for Business*, released this week by Manufacturers Hanover, Dr. Nadler also urged a thoroughgoing tax reform as a means of injecting vigor into the economy.

"The mere elimination of waste and of unnecessary expenditures," Dr. Nadler points out, "could result in the saving of several billion dollars a year. Instead of imposing a ceiling on the Federal debt the Congress should impose a limit on expenditures and adhere to it until the growth of the

economy makes increases in expenditures desirable."

No Cyclical Omen Seen in Stock Break

Dr. Nadler looks upon the recent break in equity prices as "a long overdue rectification, rather than a definite indication of a pending decline in business activity."

"The drop in stock prices," Dr. Nadler says, "was the result of the growing realization that the period of inflation had come to an end, that the predicated growth of the economy and of corporate profits had not materialized and that, therefore, price-earnings ratios were much too high."

"Awareness of these facts would, by itself," he feels, "have brought about a decline in equity prices even if the outlook for business had been brighter and confidence more widespread than has been the case for some time."

Dr. Nadler emphasizes that the economy is basically sound and that there are no valid reasons for pessimism, adding that "the recovery has not come up to the official over-optimistic expectations—but these were not realistic."

Tax Reform and Reduction Needed

Sound tax reform is, in Dr. Nadler's opinion, "the most effective way for the government to stimulate the economy and to accelerate its rate of growth. Individual and corporate taxes in the United States are too burdensome and have an adverse effect on private initiative and corporate profits."

"A reduction of individual taxes," Dr. Nadler feels, "would immediately increase disposable personal income and, hence, consumption expenditures. A reduction of corporate taxes would lead to an increase in profits, and, in turn, an expansion of investment in plant and equipment. If the tax cuts were made permanent, they would have a favorable effect on both consumers and management."

Congressional enactment of the



Marcus Nadler

DIVIDEND NOTICES

DOMINE MINES LIMITED

September 12, 1962
DIVIDEND NO. 100
At a meeting of the Board of Directors of Dome Mines Limited, held this day, a quarterly dividend of Seventeen and One-Half Cents (17½¢) per share (in Canadian Funds) was declared payable on October 31, 1962, to shareholders of record at the close of business on September 28, 1962.

CLIFFORD W. MICHEL,
Chairman and Treasurer.

CONSOLIDATED NATURAL GAS COMPANY

30 Rockefeller Plaza
New York 20, N. Y.

DIVIDEND NO. 59

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

JOHN MILLER, Secretary
September 19, 1962



Canada Dry Corporation DIVIDEND NOTICE

The following dividends have been declared by the Board of Directors: Preferred Stock—A regular quarterly dividend of \$1.0625 per share on the \$4.25 Cumulative Preferred Stock, payable Oct. 1, 1962, to stockholders of record at the close of business on Sept. 14, 1962.

Common Stock—A quarterly dividend of \$0.25 per share on the Common Stock, payable Oct. 1, 1962, to stockholders of record at the close of business on Sept. 14, 1962.

Transfer books will not be closed. Checks will be mailed.
J. W. REILLY, Vice Pres. & Secy.

DIVIDEND NOTICES

WOODALL INDUSTRIES INC.

The regular quarterly dividend of 30¢ per share on the Common Stock has been declared payable October 15, 1962, to stockholders of record October 1, 1962.

M. E. GRIFFIN,
Secretary-Treasurer



United Shoe Machinery Corporation

229th Consecutive Quarterly Dividend

The Board of Directors has declared a dividend of 37½ cents per share on the Preferred stock and 62½ cents per share on the Common stock, both payable October 10, 1962 to stockholders of record September 24, 1962.

FREDERICK A. STEVENS,
Treasurer
September 12, 1962

President's recommendation for "an across-the-board, top-to-bottom cut in both corporate and personal income taxes coupled with an elimination of waste in government expenditures" would be a strong, new stimulus to the nation's economy, in Dr. Nadler's opinion.

Sees Continuing Uptrend

"Under these circumstances," he concludes, "instead of anticipating a downward adjustment some time next year, one could expect a continued uptrend. This, with minor swings, could last until the rapid increase in family formation during the latter half of the present decade creates a new and powerful economic force."

Phila. Inv. Women Honor Past Pres.

PHILADELPHIA, Pa.—The Investment Women's Club of Philadelphia will open its 1962-63 season by saluting its past presidents. After 32 years of organization, 11 past presidents are still active in the Club. The Sept. 17 meeting at the Warwick Hotel was a tribute to them. For the occasion, the guest speaker was Mr. S. Darek Naabe who delighted the Club last season with "Early American Theatre." Mr. Naabe is returning with his early slides and movies, showing movie stars of yesterday.

Officers for the ensuing year are President, Elizabeth A. Booth, Dolphin & Co.; Vice-President, Virginia Lee, Stroud & Co., Inc.; Secretary, May Kent, Harriman Ripley & Co., Inc.; Treasurer, Joan Williams, C. C. Collings & Co., Inc. Standing Chairmen are as follows: Educational, Cynthia Sorrick, Robert Marie Associates; Entertainment, Betty Barber, Butcher & Sherrerd; Membership, Ann Jane Callan, Yarnall, Biddle & Co.; Publicity, Jenny V. Almlof, Merrill Lynch, Pierce, Fenner & Smith Inc.

Phila. Inv. Assn. To Meet Sept. 21

PHILADELPHIA, Pa.—John J. F. Sherrerd of Drexel & Co., President of The Investment Association of Philadelphia, has announced that the first Fall luncheon of the Association will be held on Friday, Sept. 21, at The Engineers Club in Philadelphia.

The luncheon speaker will be William E. A. Davidson, Assistant Secretary—Investments of the Insurance Company of North America. His subject will be "You and the Institutional Buyer."

William Rebmann of Laird, Bissell & Meeds, is in charge of arrangements.

Bache Course in Commodity Trading

WASHINGTON, D. C.—Bache & Co., members of the New York Stock Exchange, will conduct the first session of its free four-week lecture course on trading in commodity futures on Thursday, Oct. 4, at 8 p.m., in their Washington, D. C. office, 1000-16th Street. Subsequent lectures will be held at the same time and place on Oct. 11, 18 and 25.

George P. Martin will deliver the lectures on commodities which Mr. Martin points out, is a lesser known area than stock and bonds, but one which can afford interesting investment opportunities. He will discuss the outlook for commodity prices in the coming months, and will be available for informal question and answer sessions following his talks.

LETTER TO THE EDITOR:

Reader Would Lower Gold Price to End Gold Shortage

Mr. Koretz offers a unique monetary proposal to stop speculation against gold and, moreover, to attract gold supply "for stately burial" here. He suggests applying a schedule of declining gold prices to non-approved sellers while maintaining existing mint purchase price for such approved sellers as central bankers and non-communist new gold producers.

Editor, *Commercial and Financial Chronicle*:

I agree with Mr. Frederick G. Shull's stand on gold, as indicated in his August 2 letter, but I think we should do more than stand on the refusal to devalue the dollar. We should do more. At least, we can fix the wagon of the "gold rush" (which) seems to be rearing its ugly head," according to Dr. Paul Einzig, who reports in his July 12 article that "gold hoarding has increased and, by the look of things, is likely to continue to increase."

We could start the ball rolling by enacting H.R. 6900, introduced last year by Congressman Abraham J. Multer. This would repeal the requirement of a 25% gold reserve against outstanding Federal Reserve notes and certain other deposit liabilities. Since no holder of a Federal Reserve note can obtain a single gold dollar for its redemption, the reserve of gold is a myth, anyhow.

It was Senator Taft who led the fight to cut the gold reserve ratio from 40 to 25%. While Mr. Wm. McChesney Martin, Chairman of the Federal Reserve Board, recognizes the desirability of repealing the reserve requirement entirely, he fears doing it now. One reason is that it might feed the expectation of dollar devaluation.

Proposes Downward-Sliding Gold Price Scale

We could take care of that by adopting the suggestion of Mr. Isaac Witkin, president of the General Cocoa Co., Inc. Amend the present rule of buying and selling gold at the fixed price of \$35. Let's limit this price support of gold—which could never get this price if the law of supply and demand were operative here—only for purchases from central banks or of gold that has been newly mined, denying this benefit to gold mined in Russia or any other Iron Curtain country. Thus current production of gold in the United States and friendly nations could continue undisturbed. Buy all other gold at less than \$35 per ounce.

At the outset, let the Treasury

announce that as of a certain date, say Sept. 15, it will pay \$34 per ounce for gold. Later, perhaps as of Oct. 15, set the buying price at \$33 per ounce, and so on down the line. Thus, the present incentive to the private hoarder or speculator to buy gold in the knowledge that he can resell it to the U. S. Treasury without loss is removed.

It would be a big help to the plan if foreign central banks of all our allies would act in concert with our Government in adopting it. If private hoarders would learn they cannot count upon the \$35 per ounce for their gold, large stocks of gold would be thrown on the world market, providing the central banks with more gold than they need, especially in the light of revised thinking as to the need of large gold reserves.

We would then have little trouble in getting as much gold as we wanted in case we might think it a good idea to attract more gold here for stately burial as we have done in the past. I don't see what harm that did, though the good of it has not yet been explained adequately.

Yours sincerely,
Sidney Koretz
1350 Clifton Street, N. W.
Washington 9, D. C.

Bache Radio Program

"Financially Yours," a stereo-FM daily radio program designed especially for the ladies is being sponsored by Bache & Co. on WTFM at 11:30 a.m. The first airing was made on Sept. 19.

Each program, according to Henry Gellermann, director of advertising for the world-wide investment firm, will be slanted towards women and their growing role in the world of finance.

Among the initial subjects to be treated in the days and weeks ahead—in addition to the up-to-the-minute news of Wall Street—are: The Role of the Broker in Investments; Are Your Children Financially Ready for College?; What is a Mutual Fund?; Putting Idle Funds to Work; and Making Dividends Do Double Duty.

DIVIDEND NOTICE

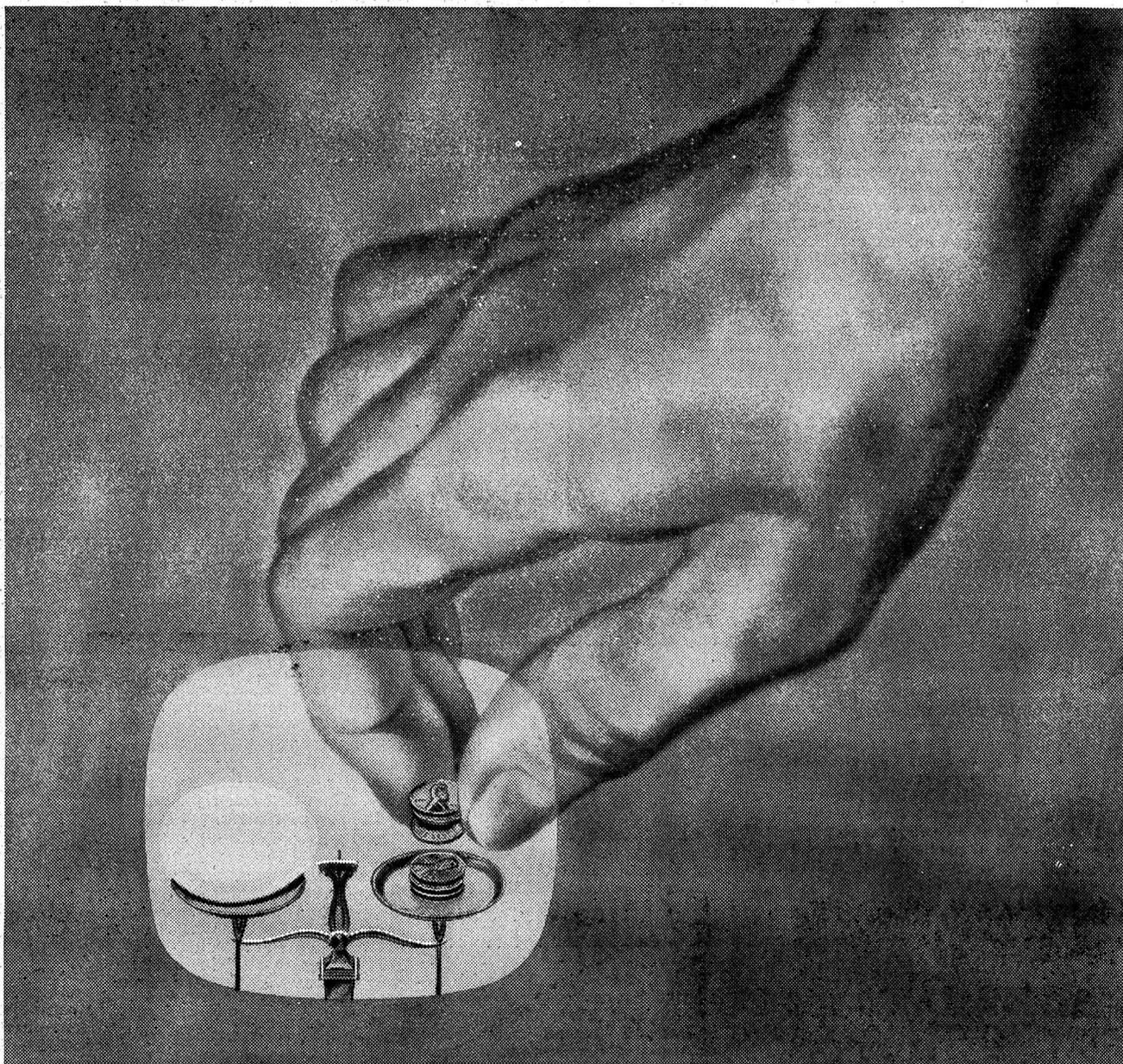
PACIFIC POWER & LIGHT COMPANY

Dividend Notice

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

PORTLAND, OREGON
September 11, 1962

H. W. Millay, Secretary



Let's look at the price of eggs

What did you pay for eggs this week? Probably a little more or a little less than last week. Prices of things go up and down because of many factors . . . such as supply and demand, wages, materials and shipping costs, and needed profits. It all gets more complex when you consider taxes and competition, or compare our economy to that of other countries. ► Now millions of people can learn more about economics from a stimulating series of television programs on *The American Economy*. Conducted by leading educators and economists, "College of the Air" will describe how our economic system works . . . how it provides stability and growth . . . how it enhances individual freedom. Starting in September, *The American Economy* will appear on the CBS television network as five one-half hour programs per week for 32 weeks . . . equal to two semesters of college classes. ► With the belief that only through broader education can we meet the growing needs of tomorrow, American business is giving financial support to "College of the Air." The people of Union Carbide are proud to be among the donors to such a worthwhile project.

**UNION
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A HAND IN THINGS TO COME

COLLEGE CREDIT will be given by many colleges for The American Economy. For names of participating colleges and local viewing times, write Union Carbide Corporation, 270 Park Avenue, New York 17, N.Y.

COMMENTARY...

By M. R. LEFKOE

During the 18th century, over 60 million people died as a result of the waves of smallpox which swept Europe. In recent years, deaths caused by this dread infectious killer have been almost negligible. The reason for the sharp drop in the death toll: a vaccine discovered in 1796 by Edward Jenner. If, however, a bill currently pending in Congress had been in effect when Jenner made his lifesaving discovery, the smallpox vaccine probably never would have been approved for use by the government. And without the vaccine, tens of millions of people alive today never would have had a chance to live.

This week, the House Interstate and Foreign Commerce Committee is meeting to consider H.R. 11581 and H.R. 11582, the House versions of the Drug Industry Act already passed by the Senate. A provision in one of the House bills would require the pharmaceutical company which has discovered a new drug to submit "substantial evidence" that the drug is "efficacious" — i.e., will cure patients of a certain, specified physical or mental illness.

Specifically, H.R. 11582 states that the Federal Drug Administration should consider a drug unsafe and refuse to allow its release to the public if the drug "is not generally recognized, among experts qualified by scientific training and experience to evaluate the safety and efficacy of devices [drugs], as safe and efficacious for use . . ."

A Look at the Past

In essence, this section of the bill places the burden of proof on the drug manufacturer and requires him to present evidence that most of the experts believe that the new drug will cure a specified illness. While this does not sound unreasonable at first glance, consider the following historical background offered by Dr. Francis G. Klumpp, a noted medical expert and president of Winthrop Laboratories, a leading drug company.

"History teaches that authoritarian bodies have often been guardians of orthodoxy rather than champions of progress. Medical experts rejected Jenner's smallpox vaccine, Pasteur's anthrax vaccine, Lister's theory of antiseptics and Semmelweis' discovery of the cause of childbed fever. Cod liver oil was rejected as worthless by the Council on Pharmacy and Chemistry of the American Medical Association. When Prontosil, the first sulfa drug, was introduced in the United States, it was greeted as another quack remedy by the outstanding American authority on infectious diseases and Chairman of the U. S. Army's Commission on Infectious Diseases. In the early 1930s, the same authority dismissed early English reports on penicillin as incredible and refused to employ for clinical testing a culture of penicillin that had been brought to him by one of his associates. He poured it down the sink."

Dangerous Consequences

Dr. Klumpp's brief historical reminder indicates that not only smallpox vaccine, but also penicillin and many other lifesaving drugs have been rejected by a majority of the medical profession upon being introduced for the first time. His warning of the disastrous consequences which would result from giving the government the right to keep a drug off the market without a majority concurrence of its "efficacy" should be considered carefully.

"It would be perilous to rational medical practice and the

public welfare to require that, before a drug can be marketed, its therapeutic effectiveness must be supported by all investigators or even a preponderance of opinion. It should be enough if responsible and qualified clinicians have found that the new drug produces the claimed effect, although equally responsible and qualified clinicians have not yet found it to be effective or believe it to be ineffective. FDA (Federal Drug Administration) should not be the arbiter of such conflicting views which necessarily involve large elements of subjective opinion by clinicians. Otherwise we face the serious danger to medical progress inherent in a central authority where conflicting viewpoints in medicine will be indirectly resolved, as they are under a totalitarian system, and we run the grave risk of recasting our system in the sterile Soviet mold and denying to physicians drugs which they may want to have for their patients.

" . . . if a new drug can be barred because of conflicting views, honestly held but involving subjective judgments on its effectiveness — research is seriously threatened and indeed may be effectively foreclosed in the case of drugs for serious diseases which are not highly prevalent."

A comment made recently by another drug authority, Francis C. Brown, President of Schering Drug Corporation, points out the problem inherent in the use of medical experts to determine a drug's "efficacy." He stated: "It is exceedingly dangerous to medical progress to bring it [the responsibility for determining whether a drug should be allowed on the market] into the area of centralized political decision, even though experts are used. Experts can be biased, and through selection of particular experts, any decision can be predetermined." (Italics mine.)

The recent scare over thalidomide has validly caused many people to be concerned about the possible harmful effects of the new "wonder drugs" which are being introduced in ever increasing numbers. Moreover, the rash of deformed babies allegedly caused by the drug has led to a cry from some quarters for increased government controls to prevent similar disasters.

Impossible Task

What most people have failed to realize is that even if the government were to be granted every conceivable power, it would still find it impossible to always prevent anyone from being harmed by a drug's adverse side effects. In some cases, the adverse effects of a drug may not be observable until it has been used for many years. In order to be completely certain that no one is ever harmed by a drug, it would be necessary to destroy the science of pharmacology and remove every single drug from the market. In other instances, the possible toxic effects of a drug may be known in advance, but the attending physician may decide that the probable good far outweighs the possible harm.

Every drug, no matter how beneficial to human life, can create adverse side effects in some people, and even serious injury or death. For example, penicillin has been known to have caused some deaths, but for every person who has died because of it, there are tens of thousands who would have died without it.

Who should make the final decision whether a drug should be used—a physician who is familiar with each patient's case and who

can weigh the probable advantages with the possible harm, or a bureaucrat in Washington who will be so afraid of making a mistake that he will refuse to allow a drug on the market because of its possible harm, oblivious to the beneficial therapeutic effects which might enable millions to live?

If you value your life—literally value your life—you will make your voice heard in protesting the new drug controls. And the time to do so is now—not when you are lying in a hospital bed dying because a drug which could have saved you is on a shelf waiting for a bureaucrat's final approval.

Stearns Appointed By Hayden, Stone

John P. Stearns has been appointed corporation counsel of Hayden, Stone & Co., Inc., 25 Broad St., New York City, members of the New York Stock Exchange, it has been announced by Alfred J. Coyle, President.



John P. Stearns

Prior to joining Hayden, Stone, Mr. Stearns was associated with the law firm of Chadbourne, Parke, Whiteside & Wolff. From 1959 to 1961, he was Secretary of New York Stock Exchange.

G.M.S. Stock All Sold by Preiss, Cinder

Preiss, Cinder & Hoffman, Inc., as sole underwriters, announced on Sept. 18, 1962 that the initial public offering by G.M.S. Stores, Inc. of 140,000 shares of its common stock at \$4.00 per share was oversubscribed for and the books closed.

G.M.S. STORES, INC., with executive offices at 19 West 34th Street, New York City, through its wholly-owned subsidiaries, presently operates four discount centers under the name "Tri-State Discount Center", which offer to the public a broad line of department and variety store merchandise at discount prices. Two stores are located in Pennsylvania and one each in Maryland and South Carolina.

The net proceeds from the sale of the common stock will be used principally to expand the company's operations through the opening of new discount centers, one of which is to be located in Williamsport, Pa., and the others being tentatively planned for Fayetteville, N. C. and Savannah, Georgia.

G.M.S. STORES, INC. reported net earnings of \$63,148 for the six months ended Jan. 31, 1962, and sales of \$1,588,011, as compared with net earnings of \$48,505 and sales of \$1,514,022 for the comparable period of the previous year.

Of the 835,900 shares outstanding upon completion of this offering the officers and directors as a group will retain 53.43%, or 180,000 shares.

Wax Syndicate Mgr. For Meade & Company

Walter Wax has been appointed syndicate manager of Meade & Company, 27 William Street, New York City.

NEWS ABOUT BANKS AND BANKERS

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

Vice-President Herbert W. Nannen has been elected to the additional post of Treasurer and Raymond F. Adams has been elected



Herbert W. Nannen Raymond F. Adams

Secretary of Chemical Bank New York Trust Company, New York, it was announced Sept. 14 by Chairman Harold H. Heim. Both are located at the bank's headquarters at 20 Pine Street, New York.

Mr. Nannen began his career with the bank in 1927, advancing to the rank of Vice-President in 1959.

Mr. Adams began his career with The New York Trust Company in 1925, advanced to Assistant Vice-President in 1954 and Treasurer in 1955. He continued as Treasurer when New York Trust was merged into Chemical Bank New York Trust Company. As Secretary Mr. Adams succeeds the late W. Donald Jordan.

Willard H. Beeson has been appointed the Chase Manhattan Bank's representative in Mexico City. He was formerly Assistant to the representative.

He joined the bank's Special Development Program in 1957 and the following year was assigned to the account relations division of the international department. From 1959 to 1961 he was assigned to branches in Panama, and in 1961 he was appointed Assistant to the Representative in Mexico City.

Mr. Beeson replaces Robert M. Rummel, who returned to the bank's head office in New York.

The Board of Trustees of The Bowery Savings Bank, New York, Sept. 13, appointed Arthur H. Fuchs Deputy Controller. Mr. Fuchs was promoted from Principal Executive Assistant.

The Seamen's Bank for Savings, New York, opened new quarters of the Bowling Green Office in the new R. C. A. Building at Beaver and New Streets, on Sept. 17, 1962.

A fifth office of The Bank for Savings, New York, will be opened on Broadway at 50th Street on Sept. 25.

The Meadow Brook National Bank, West Hempstead, N. Y., opened a permanent Levittown office on Sept. 15 at 3161 Hempstead Turnpike.

The New York State Superintendent of Banks approved the planned merger of The County Trust Company, White Plains, N. Y. and The Gramatan National Bank and Trust Company of Bronxville, N. Y. The proposal still is subject to approval by the Board of Governors of the Federal Reserve System.

Arthur P. Higgs, Assistant Vice-President of National Bank of

Westchester, White Plains, N. Y., has been appointed Vice-President and Manager of the Peoples Office in White Plains to succeed Ralph G. Holmes on his retirement Oct. 1.

Armand Cureau Assistant Controller has also been appointed Deputy Controller. Mr. Cureau succeeds Charles W. Monheimer, who leaves NBW Oct. 1 to become Controller of the Detroit Bank and Trust Company.

The Comptroller of the Currency James J. Saxon announced approval Sept. 10 of the merger of The Rahway National Bank, Rahway, N. J., into the National State Bank, Elizabeth, N. J. The merger is effective immediately.

At the same time, Mr. Saxon gave permission to consolidate The National State Bank and the Hillside National Bank, Hillside, N. J., effective on or after Sept. 11. National State will be the surviving institution.

As a result of the merger and consolidation actions, National State Bank will have total assets of \$173,900,000.

Howard S. Bunn has been elected a Director of The National State Bank of Newark, N. J.

Philadelphia National Bank, Philadelphia, Pa., made Frederick H. Helderling, a Vice-President, head of the foreign department, effective Dec. 31. He will succeed James B. Husted, who is retiring.

The Provident Tradesmen's Bank and Trust Company, Philadelphia, Pa., elected Benjamin F. Sawin to the position of Vice-Chairman of the Board and Chairman of the Executive Committee and William G. Foulke to President.

Mr. Sawin joined the Provident Trust Company in 1944 as Vice-President in charge of the Commercial Banking Department. He was named Executive Vice-President in 1951 and made President in 1952. He has been President since 1957.

The new Vice Chairman began his banking career with the State Bank and Trust Company of Illinois. From 1929 to 1937 he was on the staff of the Union Trust Company of Rochester, N. Y. and was made a Vice-President in 1934. He resigned this post to become Vice-President of the National City Bank of Cleveland from 1937 to 1942.

William G. Foulke has been Executive Vice President of the Bank since 1960. He joined the Provident Trust Company in 1940, was Vice-President from 1950 to 1957 and was elected Senior Vice-President in charge of the Trust Division of Provident Tradesmen's Bank and Trust Company in 1957.

James M. Large, Chairman of the Board since 1957 will continue to serve in that position.

Stanley F. Drutis, Vice-President, was promoted to Senior Vice-President of the Western Pennsylvania National Bank, Pittsburgh, Pa. He continues as manager of WPNB's Washington Trust Office.

James S. Clancy, Vice-President—personnel, was appointed Head of WPNB's newly-formed Community Banking Department. He is succeeded by John A. McMullen who was promoted to Vice-President—personnel.

Albert Fiddler was promoted from Assistant Vice-President and Assistant Manager of the Belle

Vernon office to Vice-President and Manager of the WPNB-William Penn Office.

Karl W. Corby, has been elected a Director of the Maryland National Bank Baltimore, Md.

Julian S. Neal, was elected an Advisory Director.

Mercantile-Safe Deposit & Trust Co., Baltimore, Md., elected Francis X. Gallagher, a Director. Wade H. Creswell and Eugene W. Mayhorne were elected Vice-Presidents.

Union Trust Co. of Maryland, Baltimore, Md., made Frank Baker, Jr., a Director.

Three officers—the Director of Advertising and Public Relations and two Assistant Vice-Presidents—have been promoted to Vice-Presidents at The Bank of Virginia, Richmond, Va., effective Sept. 15. They are Miss Daphne L. Dailey, who becomes the first woman to be promoted to the office of Vice-President at The Bank of Virginia; C. E. Bensten, officer in charge of the bank's Newport News office, and O. Watts Gills, of the bank's Roanoke office.

First & Merchants National Bank, Richmond, Va. elected—Robert T. Marsh, Jr., President, Chairman and Chief Executive Officer. J. Phillips Coleman, Executive Vice-President, was elected Chief Administrative Officer and will succeed Mr. Marsh as President. Robert L. Gordon, Jr., Vice-President and Trust Officer, will succeed Mr. Coleman as executive Vice-President.

The merger of the \$3,000,000 First National Bank of Shenandoah, Virginia, into the \$109,000,000 Peoples National Bank of Central Virginia, Charlottesville, Virginia, was approved September 10 by Comptroller of the Currency.

The Hillsboro Bank and Savings Company, Hillsboro, Ohio absorbed The Citizens Bank and Savings Company, Leesburg, Ohio, effective August 1.

The State Bank of Salem, Salem, Indiana, absorbed the State Bank of Hardinsburg, Hardinsburg, Indiana, effective September 1.

American National Bank and Trust Company of Chicago, Illinois announced that Leigh R. Gignilliat, Jr. was elected Senior Vice-President. Also appointed were F. R. Carver Nixon, assistant Vice-President, and Ronald J. Grayheck, assistant cashier.

Mr. Gignilliat joined American National in 1939 and was made a Commercial Division Vice-President in 1941.

United California Bank, Los Angeles, Calif., made Thomas E. Mead a Vice-President.

Bank of Sacramento, Sacramento, Calif., made L. F. Ward, President and Director. Mr. Ward formerly was Executive Vice-President and Director of Golden Gate National Bank, San Francisco, Calif.

Theo N. Carlson, Main Office, and J. Ford Smith, manager of the Pasco Branch, were elected Vice-President and other official changes have been approved by directors of the Seattle-First National Bank, Seattle Wash.

Gerald Wendt, Assistant Manager of the Yakima Valley Branch, was promoted to Assistant Vice-President and assigned to the Everett Branch.

James W. Culverwell, Assistant Manager, was elected to succeed Manager Cyrille A. LaVigne upon retirement at the end of this month.

BANK AND INSURANCE

STOCKS This Week — Insurance Stocks

SEMI-ANNUAL FIRE & CASUALTY INSURANCE CO. RESULTS

As the fire and casualty insurance industry enters the hurricane season, it is an appropriate time to review the underwriting results of the first six months of the year which are now available for each of the major companies.

In general, it may be said that underwriting results were better than those of a year ago, but were still somewhat disappointing. The majority of companies were able to report underwriting profits for the period, but many were still in the red. Second quarter results were significantly improved over those of the first three months of the year, however they showed little improvement over the second quarter of 1961.

A composite study of the results of 150 companies indicates that the loss ratio remained at 64.8% for the six month period, while the expense ratio was lowered by half a point to 34.9% compared with 35.4% in the first half of 1962. This reduced the combined loss and expense ratio to 99.7% from 100.2% for the same group of companies in the January-June period in 1961. For the group premiums written rose 5% and investment income 8%, while the drop in the stock market wiped out the record appreciation of 1961 and resulted in a decline in total assets of 8% and reduction of 20% in policyholders' surplus.

The importance of the hurricane losses in recent years has created a definite seasonality to fire and casualty underwriting results on a semi-annual basis. Underwriting profit margins for the first six months have consistently surpassed those of the latter half of the year. Thus far in September the industry has fortunately escaped damage from hurricanes, lending hope that 1962 will be free of major weather catastrophes. If this hope becomes a reality, 1962 could yet be an excellent underwriting year for the industry. The next few weeks will be highly significant to the fire and casualty industry's profitability for the entire year.

SIX MONTHS UNDERWRITING RESULTS

	Net Premiums Written		Underwriting Profit Margin	
	1961	1962	1961	1962
	(000,000 Omitted)			
Aetna Casualty	\$217.6	\$239.4	-0.7%	-0.8%
Aetna Insurance	86.0	97.2	-0.4	1.3
Allstate Insurance	277.4	298.8	6.0	6.6
American Insurance	97.9	102.9	-2.4	-1.1
Continental Casualty	208.3	214.5	1.5	-1.2
Continental Insurance	235.5	228.1	-10.8	-5.4
Employers' Group	42.2	42.1	0.5	2.7
Federal Insurance	40.9	43.6	6.4	10.5
Fireman's Fund	131.6	154.0	-3.4	-1.3
General Re-Insurance	34.4	37.6	3.7	4.7
Glens Falls	50.0	49.3	-3.9	-5.6
Government Employees	33.9	41.9	9.5	6.7
Great American	81.8	92.2	-7.7	-0.1
Hanover Insurance	43.6	42.2	-2.2	-2.8
Hartford Fire	273.4	289.2	0.3	0.2
Home Insurance	136.0	152.1	-5.1	-2.5
Insurance Company of N. A.	208.5	224.9	-0.5	0.6
Maryland Casualty	73.5	76.0	-1.6	3.0
Ohio Casualty	42.4	43.7	6.8	-1.2
Phoenix Insurance	53.0	58.6	-4.4	-1.6
Reliance Insurance	84.8	82.1	-0.9	-0.6
St. Paul F. & M.	88.2	93.0	-2.3	-0.9
Security Insurance	52.4	47.8	0.2	2.1
Travelers Indemnity	192.0	232.7	6.5	0.8
U. S. F. & G.	156.0	164.4	2.4	-2.6

TAX LEGISLATION

The Senate made no significant changes in the earlier House Proposal to tax mutual fire and casualty insurance companies for the first time on their underwriting income after lengthy debate on the tax bill earlier this month. It is therefore expected that the provision will easily pass the Senate-House conference, which will resolve the differences between the Senate measure and a bill passed by the House in March that conforms closely to President Kennedy's recommendations.

The new tax will place all of the income tax basis, except for a tax-free loss protective account consisting of 1% of insurance losses incurred during the year and 25% of ordinary underwriting income. The Treasury predicts that this measure will produce \$35 million in additional annual tax revenue, while the Internal Revenue Service believes the amount will be closer to \$25 million.

MONTHLY FIRE LOSSES

Property losses due to fire amounted to \$94.8 million during

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July according to an estimate of the National Board of Fire Underwriters. This amount is 1.2% less than the estimated loss for the previous month, but is 1.8% greater than the losses totaling \$93.1 million incurred in July, 1961. For the first seven months of 1962 fire losses are estimated at \$775.2 million, 6.5% greater than the total for the comparable period of last year. The present year's final total will certainly reach another new all-time high.

LIFE INSURANCE SALES

Purchases of life insurance in July are estimated at \$6.2 billion up 0.6% from July, 1961. For the seven months to date total life insurance sales have reached \$44.8 billion, slightly less than the \$45.4 billion total for the January-July period of 1961. The decline is due to a drop in new group life insurance policies as ordinary life sales have continued to rise on a monthly basis throughout the year.

The strong sales pattern of individual life insurance policies in the face of the decline in the stock market and sluggish condition of the national economy reflects the basic strength and stability of the life insurance industry under all types of business conditions.

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The Market . . . And You

BY WALLACE STREETE

The current stock market more and more resembles a tightrope walker. The path swings a few points each side of the magical 600 mark of the Dow-Jones industrials but fails to develop a definite trend.

The cautious changes are typical of the attitude of many investors today. Volume has shown little inclination on the Big Board to burst out of its three million share cell.

The steady flow of economic and other news of the past few days has had little direct effect on Wall Street as a whole. Space-age issues, especially the better-thought-of growth stocks, have moved up on flurries of concern over Cuba and Berlin.

But many other groups have failed to join these advances. The result has been a stand-off. Even good news lacks the power to spark rises considered normal a few months ago.

Classic Example

Take the automobile industry which is now enjoying one of its best years in history. General Motors, Ford and Chrysler are consistently among the top volume issues, but hold to narrow limits.

General Motors' new car sales for the first third of September have shot 60% ahead of a year ago, but the result for the investors scanning the Big Board scorecard is thus far negligible.

American Motors, far down the list of big-volume car makers, appears to generate as much enthusiasm. Even Chrysler, admittedly a weak sister of the Detroit group, retains much popularity as "an interesting speculation" among the advisory services. It retains enough volatility to rise or fall two points at a clip without upsetting the board rooms.

In the Doldrums

While Detroit is looking to a big car year upon imminent introduction of its 1963 models, the steel industry continues in the doldrums. Although production rose a scant 1 1/2% last week to nearly 5.6% of capacity, no real upturn is expected before November.

Some brokers have been hopeful that investors might be lured back by the ingot industry's best showing since mid-May, but the steel people themselves are resigned to no major upturn for the near future.

The stock meanwhile is behaving accordingly. Big Steel, Bethlehem, and most of the others are hovering around their lows for the year. While threats of dividend cuts have abated for the time being, investors could have cause to worry about long-term irritations emanating from Washington.

Investors Apathetic

Although the steel makers have had their troubles with Capitol Hill in other years (Harry Truman was not popular in Pittsburgh board rooms) the industry had always held a strong following among investors. But the market's refusal to gamble on steel has aroused some concern.

More popular on the street have been the higher-priced glamour issues such as Polaroid and Xerox. Both continue to show strong day-to-day vitality and both retain strong professional support.

Latest predictions in steel place October output at no more than one million tons over September's. But unless the auto makers who account for 20% of the industry's total demand, chew up the gray metal at a faster pace than ex-

pected, total steel shipments may show no rise.

The key in steel appears to be inventories. The auto producers have continued to cut their metal stocks in most cases. Some observers believe the inventory-trimming may continue through November when the new car market rush ordinarily slows.

In the Same Boat

Steel, like other metals, faces new buying patterns and possible long-term surplus problems. These developments are all too apparent in copper, nickel, and aluminum.

Most stocks in these areas are fairly soft. Some like Anaconda and Kennecott are close to making new lows for the year. Production cuts and a few strikes have little apparent effect thus far in the surplus-plagued copper industry.

Rails are also finding heavy going in today's market. Rumors of more merger plans are rampant but seem far from fruition. Investors continue to be disinterested from a short-term view as evidenced by the lagged volume. Earnings among the western roads have held quite well but uncertainty over the eventual line-up of the combined lines has dampened a lot of investor enthusiasm.

Union Pacific's latest bid to join merger talks between Southern Pacific and Rock Island appears to add to an already confused situation. Southern Railway's forecast of profits of \$21.8 million for the first nine months against \$18.2 million a year ago, has had virtually no effect on its depressed price.

Meanwhile, business news continues to be very mixed in its portent of the future. How much good news will be needed to spark a sustained market rise remains as big a question as ever.

Although the issue of tax cuts has died temporarily, tax-loss selling appears as a growing factor amid a more cautious Wall Street clientele. And while many of this large group show they don't like their former old favorites, neither are they rushing to buy into new entries.

The shift of Counter and American Exchange issues to the corner of Broad and Wall continues as a daily occurrence, but elicits little response these days. Most current response is directed toward consumer issues, the stable international oils, and the well-trenched electric utilities. Royal Dutch, Jersey Standard, and Gulf remain popular among the oils, and their prices show it.

Chemical Industry Under Pressure

Chemicals, while recommended here and there as special situations, reflect a more competitive squeeze on profits.

The latest sign of the acute struggle for markets is a cancellation of a half-cent a pound price hike on perchlorethylene (used in dry-cleaning) that was slated to go into effect Oct. 1. Another cold-weather harbinger of pressure on the chemical firms comes in the anti-freeze sector.

Many companies such as du Pont that find coolants strong money-makers are having rough going. Prices this fall are expected to reflect price cuts of last winter and may go lower.

Dow Chemical has already given up the battle of the permanent filling agent, and says it will not supply it to consumer outlets.

Another sign of trouble in the chemical area comes from Monsanto's prediction of record sales for the third quarter, but no more than a slight rise in profits. Its

stock meanwhile holds in the low 40's, well below its high for the year of 52 1/2.

[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.]

Nippon Tel. & Tel. Dollar Bonds Sold

Dillon, Read & Co. Inc., The First Boston Corp. and Smith, Barney & Co. Inc., New York City, head an underwriting group which is offering publicly an issue of \$18,500,000 of 6% Nippon Telegraph & Telephone Public Corp. dollar bonds due 1977, unconditionally guaranteed as to payment of principal and interest by Japan.

The bonds, priced at 96%, will not be redeemable prior to Sept. 15, 1972, except for semi-annual sinking fund payments of \$310,000 from March 15, 1964 to and including Sept. 15, 1967 and \$690,000 thereafter to and including March 15, 1977, calculated to retire 84.3% of the issue prior to maturity. The sinking fund redemption price is 100% plus accrued interest. After Sept. 15, 1972, the 6% bonds due 1977 will be redeemable at the option of the company at the principal amount thereof.

Proceeds from the sale of the bonds will be converted into yen and will be used primarily for additions, extensions, and improvements to the corporation's telephone facilities. The corporation has made large expenditures annually for the construction of new facilities and modernization of existing facilities in an attempt to meet increasing demand and to improve the efficiency of its services. Nippon Telegraph & Telephone's current budget calls for construction expenditures of approximately the equivalent of \$584,000,000 for the fiscal year ending March 31, 1963.

The corporation has recently developed a new five-year expansion program for the period commencing April 1, 1963 and ending March 31, 1968, which calls for increased expenditures in each of the next five years aggregating approximately \$5 billion over the five year period. This new expansion program provides for the continued improvement of existing facilities and for the installation by March 31, 1968 of an additional 5,000,000 subscriber lines, 13,546,000 miles of telephone toll circuits and 180,000 public telephones, as well as the construction of an additional 1,520 telephone exchange offices.

Nippon Telegraph & Telephone 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. It is wholly owned by the Government, and control of its business and financial activities is exercised by various Governmental bodies, with principal supervision by the Minister of Post and Telecommunications.

J. M. Dain Installs Wire to Doyle, O'Connor

MINNEAPOLIS, Minn.—Effective Sept. 10, J. M. Dain & Co., Inc., 110 South Sixth Street, members of the New York and Midwest Stock Exchanges, opened a direct wire to the Chicago and New York offices of Doyle, O'Connor & Company, Inc.

First Half of 1962 Produced Record High Profits for Chemical Industry

Chemical industry sales, production, and profits this year are running well ahead of 1961, reports the current issue of *Chemical and Engineering News*.

The profit outlook has been clouded, however, by recent declines in chemical prices, says the American Chemical Society weekly in its annual survey of "Facts and Figures of the Chemical Industry."

Chemical stocks, like most others, suffered a sharp drop during the past year, but so far this has had little impact on the financial well-being or operations of chemical companies, according to the report.

The industry's sales this year are running 14% ahead of 1961 and should top last year's \$30 billion by at least 10%, the report continues. Production is up 11% over 1961, with the year's output certain to hit a new high, probably topping the 1961 mark by about 16%.

Profits show a gain of about 15% in the first six months of 1962 over the same period in 1961, making the first half of this year the most profitable ever for chemical producers.

"Unless business drags downward this winter, the industry should turn in at least 10% higher profits this year than in 1961, with the year's total rising to somewhere between \$2.2 and \$2.3 billion," says the article.

Dividends continue upward, the report notes. Cash payments to stockholders last year totaled \$1.1 billion, an increase of 5% over the previous year. So far this year cash dividends are about 3% ahead of 1961.

Despite this steady growth, industry executives are concerned about the industry's profits outlook, the report says. Net income has not advanced as much as many observers feel it should have.

Profits have increased at a rate only a little more than half that of sales, with profit margins amounting to 8.3% of sales in 1955, and slumping to 7.4% last year, according to the report, which continues:

"Although profit margins may rise slightly this year, they hardly are likely to come close to the 8%-or-better levels of 1955 and 1956."

Return on net worth also has faltered. Earnings as a percentage of net worth for the industry as a whole dropped to 11.6% last year; it was 13% in 1957.

Rising costs of operations remain a factor in the squeeze on profits, the article points out. But a new factor—chemical prices—is having its effect. Prices are down nearly 3% in a little more than a year. Not since 1952 have they tumbled so sharply.

Prices have been weakest in organic chemicals (down 8% in the past two years), in plastics materials (down 5% in the past two years and 10% in the past five), in synthetic fibers (down 9% in three years), and pharmaceutical materials (down 11% in the past two years).

"The price erosion of the past couple of years amounts to a loss for the industry of \$700 to \$800 million in sales this year," the report asserts. "Had prices held steady, the industry's net income would have been about 15% higher than it actually will be this year."

Another factor which has an impact on industry profits is the more liberal depreciation charges permitted by the Treasury Department, the article adds. The change could take about \$100 million off annual profits in the next year or two (although at the same time increasing cash flow by an equivalent amount).

Despite its problems, the industry is still in an enviable position, the report emphasizes. Profit margins, before taxes, are still higher than those of other manufacturing industries—13.6% as against 7.7%. In return to stockholders last year, the chemical industry ranked third, being topped only by the tobacco and automobile industries.

Coast Exchange Sponsors Tour

The Pacific Coast Stock Exchange has initiated a program to take a group of members on a tour of European cities with the purpose of exchanging ideas with their counterparts in various cities on the Continent. It is believed that such an exchange of viewpoints will be of lasting service in extending the understanding between people of different countries.

Members of the Exchange Delegation are:

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MR. & MRS. GEORGE N. KEYSTON
Keyston & Co., Burlingame.
MR. & MRS. GODFREY KING
National Travel Service, Los Angeles.
MR. & MRS. NICHOLAS P. KIRWAN
Dean Witter & Co., Los Angeles.
MR. & MRS. GEORGE H. KLEIN
Shearson, Hammill & Co., San Francisco.
MR. JOSEPH G. LaPUMA
Currier & Carlisle, Inc., Los Angeles.
MR. & MRS. JOHN E. LEW
Shearson, Hammill & Co., Rancho Santa Fe.
MR. & MRS. DAVID M. LEVY
Hill, Richards & Co., Los Angeles.
MR. & MRS. A. S. McOMBER
Hornblower & Weeks, Los Angeles.
MR. & MRS. JAMES K. McWILLIAMS
Henderson & Co., San Francisco.
MR. & MRS. ROBERT P. MANN
Davis, Skages & Co., San Francisco.

Continued on page 19

Continued from page 18

- MR. & MRS. STEVENS MANNING
Paine, Webber, Jackson & Curtis,
Los Angeles.
- MR. & MRS. HENRY MARIN
First California Co., Los Angeles.
- EDWIN J. MEYBERG
Union Bank, Los Angeles.
- MISS GRACE MONAHAN
Dean Witter & Co., Beverly Hills.
- MISS ELAYNE M. MOORE
Paine, Webber, Jackson & Curtis,
Los Angeles.
- EMERSON B. MORGAN
Morgan & Co., Los Angeles.
- MR. & MRS. ROBERT L. MORRIS
Irving Lumborg & Co., San Francisco.
- MRS. MARY ARMOLD MUELLER
Shearson, Hammill & Co., Los Angeles.
- MR. & MRS. A. MICHAEL MURRAY
Kerr & Bell, Los Angeles.
- MRS. JOHN H. NEWBY
Taylor & Co., Los Angeles.
- MISS RUBY M. NOEL
Paine, Webber, Jackson & Curtis,
Los Angeles.
- MR. & MRS. RICHARD R. O'NEIL
Fairman & Co., Los Angeles.
- WILLIAM J. O'NEIL
Hayden, Stone & Co., Beverly Hills.
- E. JAMES OSBORNE
Osborne & Ward, Beverly Hills.
- MR. & MRS. FRANZ OSTHAUS
Bateman, Eichler & Co., Los Angeles.
- ERNE PARSONS
TWA, Los Angeles Representative.
- MR. & MRS. THOMAS P. PHELAN
Pacific Coast Stock Exchange.
- MR. & MRS. HOWARD PROEFROCK
York & Co., San Francisco.
- JOHN J. QUINN
Stone & Youngberg, San Francisco.
- MR. & MRS. GEORGE D. ROBERTS
E. F. Hutton & Co., San Diego.
- RALPH H. ROWLAND, JR.
Walston & Co., Inc., Fresno.
- MR. & MRS. JAMES E. RYAN
Shearson, Hammill & Co., Menlo Park.
- MR. & MRS. WALTER F. SCHAG
Davis, Skaggs & Co., San Francisco.
- CHARLES W. SCHIEBEL
Agents: Acceptance Corp. of America,
Los Angeles.
- RICHARD F. SHELTON
Merrill Lynch, Pierce, Fenner & Smith,
San Francisco.
- MR. & MRS. CHARLES F. SILL
Francis I. du Pont & Co., Los Angeles.
- WILBUR F. SMITH
Merrill Lynch, Pierce, Fenner & Smith,
San Francisco.
- JOHN M. STINE
Wilson, Johnson & Higgins,
San Francisco.
- MRS. LENORE F. THORP
Davis, Skaggs & Co., San Francisco.
- MR. & MRS. GEORGE E. VANDENHOFF
Dean Witter & Co., Beverly Hills.
- MR. & MRS. JOHN E. VANDERBUR
Evans, McCormack & Co., Inc., Arcadia.
- MR. & MRS. HARRY W. WAYNE
Hayden, Stone & Co., Inc., Beverly Hills.
- MR. & MRS. WILLARD S. WEBBER
Leppo, Dorking & Sherman,
San Francisco.
- JOHN E. WHEELER
Wheeler & Co., Los Angeles.
- MR. & MRS. EDWARD A. WHITE
Francis I. du Pont & Co., San Francisco.
- MR. & MRS. FARAN WHITEHORN
Francis I. du Pont & Co., San Francisco.
- MR. & MRS. CARL WILSON
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- MR. & MRS. HENRY G. WINANS
Eastman Dillon, Union Securities & Co.,
Riverside.
- MR. & MRS. ASHFORD M. WOOD
Adams-Fastnow Co., Los Angeles.
- MR. & MRS. CHESTER W. YOUNG
Birr & Co., Reno.
- MR. & MRS. LOYD C. YOUNG
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Arizona Public Service Company Common Offered

An issue of 676,220 common shares of Arizona Public Service Co. is being sold publicly at \$28.75 per share by a group headed by First Boston Corp. and Blyth & Co., Inc., New York City.

Net proceeds will be used for payment of loans incurred for construction purposes estimated at \$89,000,000 in 1962, \$57,000,000 in 1963, and \$24,000,000 in 1964.

Arizona Public Service, headquartered at Phoenix, generates, purchases and sells electricity and natural gas in 10 of Arizona's 14 counties.

Philadelphia Securities Association

PHILADELPHIA, Pa. — Paul R. Kaiser, Chairman of the Board of Tasty Baking Co., will be guest speaker at a luncheon meeting of the Philadelphia Securities Association to be held on Wednesday, Sept. 26, at the Barclay Hotel, Philadelphia.

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

MUTUAL FUNDS

BY JOSEPH C. POTTER

A Disservice to Investors

Washington, which is capable of a great show of affection for the more than 3,000,000 owners of mutual funds, now is about to give them and, indeed, all stock-owning men and women the back of its hand. This blow stems from the Cooper amendment to the pending tax bill as passed by the Senate.

The adopted amendment would disallow as a deductible business expense for tax purposes the cost of informing stockholders on legislative matters affecting their investments. The vote was 40 to 29 on the amendment introduced by Senator John Sherman Cooper of Kentucky.

Mutual funds, which played a substantial role in creating opposition to the Administration's plan to impose a withholding tax on dividends and interest, were able to deduct the expense of informing stockholders about their stake in this issue. But, under the Cooper amendment, they no longer will be able to make such expenses tax-deductible.

Make no mistake about it: managers of mutual funds will have occasion in the future as they have had in the past, to acquaint the owners of the business on matters, in and out of Congress, that could adversely affect their property.

The Investors League, Inc., a 20-year-old non-profit and non-partisan organization which has been in the forefront of many a fight for stockholders, has charged "40 Senators voted to drop a Curtain of Ignorance over stockholders and investors." And the Investors League makes this point:

"The Securities and Exchange Commission was created by Congress with one of its primary duties that of compelling corporations to give full disclosure to stockholders as the owners of a business.

"But the Senate vote reverses the full disclosure principle that stockholders have the right to know what affects their ownership; that management has an obligation to inform them of acts affecting the profitability of their investments."

Imagine John and George as partners in the corner drugstore on Main Street. George takes his vacation in winter, goes to Florida. John, of course, keeps his partner posted and, in addition to writing to George, calls him on the telephone whenever a major problem arises. If the matter involved is, for example, a drug bill that could have an impact on their business, then the expense of communicating this information would not be tax-deductible under the Cooper rider.

Oklahoma's Senator Kerr, floor leader on the tax bill and opponent of the Cooper amendment wisely poses the issue this way:

"One of the responsibilities of management is to operate its business in such a way as to pay a return to the stockholders on their investment. Certainly, management has the responsibility of keeping the stockholders and employees informed as to legislation which affects their business. Otherwise . . . they would be derelict in their duty."

There are over 17 million stockholders in this country. They are the fastest-growing element in our society, outnumbering the members of the two big labor organizations or the number of production workers. But, aside from Investors League, how many organized groups speak up for them?

The Investors League poses this question: "Of what are these legislators afraid that they do not want information about their acts—or their votes—disseminated?"

Well, for one thing, we would suppose that they would like to discourage a repetition of the campaign of corporate management to apprise stockholders of the proposal to impose a withholding tax on dividends and interest. The White House and its cohorts in Congress are still smarting from that setback.

Unless the fight against the Cooper amendment is continued, it may very well be that the men in the Executive Suite will be dissuaded from keeping their stockholders informed on vital legislative matters on the ground that the expense would be onerous.

This Administration never tires of telling us that it wants a healthy business climate. But corporate managers who faithfully practice full disclosure to stockholders must have reservations. Steel companies called upon to surrender up production-cost figures must have reservations. Salt producers, forced to spend nearly a million dollars to clear themselves of antitrust charges, must have reservations.

Millions of stockholders have paid dearly and will continue to pay dearly for their failure to band together to demand equal rights and fair treatment from their so-called servants in the Congress.

The Funds Report

Composite Bond and Stock Fund reports that during the current quarter new purchases include Bank of America, Phillips Petroleum and Texaco. At the same time it has increased holdings of Bayuk Cigars, Irving Trust, Martin-Marietta and R. J. Reynolds Tobacco. It has eliminated Anacoda, Aetehison, Topeka & Santa Fe, Baech-Nut Life Savers, H. K. Heinz and Union Pacific.

Keystone Custodian Funds, Inc., which offers fund services and life insurance services to independent dealers who are licensed to sell both, will make available four basic types of policy. The four general categories are permanent whole life, level and decreasing term, guaranteed retirement income and a new policy called "Permatern," a combination of permanent whole life and level or decreasing term insurance to age 65.

Oppenheimer Fund reports receipt of an order for contractual plans involving total payments of \$1,200,000 over a 10-year span. It is made up of two \$600,000 plans.

taken by a client who is not identified.

Television-Electronics Fund, Inc. announces election of two new directors. They are Gordon Edwards, Executive Vice-President of the Kraft Foods Division of National Dairy Products Corp., and Paul E. Thoren, President of Central West Utilities Corp. They fill vacancies created by death of Andrew H. Phelps and resignation of Edward A. Ravenscroft.

New Manual on Bond Interest Computations

"Coupon Cutter's Guidebook," a new technical manual, has been issued to member banks by NABAC, The Association for Bank Audit, Control and Operation. It is especially designed to provide banks with a simple, easy-to-use reference for determining the semi-annual amount of interest due on bond coupons. Use of the new manual can result in significant time savings, especially in banks with larger bond, trust or collection departments.

Publication of the new manual was undertaken as a special project by NABAC in cooperation with the Harris Trust and Savings Bank, Chicago. The guidebook was developed by Harris systems and procedures department for multiplication and verification of bond coupon amounts. Recognizing that other financial institutions could benefit through use of the guidebook, Harris bank donated and assigned their copyright to NABAC so that through the association's facilities the entire banking industry might benefit.

The new manual is 8 1/2 x 11 inches in size and is attractively printed in two colors for ease of use. It is indexed by interest rate, beginning with 1/2% and graduating in eighths to 6%. A special five-page section at the rear provides a handy table of tenth rates from 0.60% to 5.90%.

"Coupon Cutter's Guidebook" is extremely simple to use because it eliminates the laborious and time-consuming task of multiplying the number of bond coupons by the applicable interest rate. Using the guidebook, one merely refers to the indexed page bearing the correct interest rate and locates the number of coupons involved by reading down a column of colored numbers from 1 to 100. Immediately opposite the number, in another color, appears both the high and low amount. Anyone who has been doing this type of work can pick up the new technique in a matter of minutes.

Copies of "Coupon Cutter's Guidebook" are available to non-member banks as well as NABAC members. The member price for additional copies is \$1.25; the non-member price is \$2.50, and quantity discounts are available. The guidebook may be ordered from NABAC Headquarters, P. O. Box 500, Park Ridge, Ill.

Price Honored by Medical College

William G. F. Price, Retiring Vice-President of the Chase Manhattan Bank, will be honored at a luncheon sponsored by the Factors and Finance and Accountants Divisions of the Albert Einstein College of Medicine on Sept. 20, at the Park Lane Hotel.

Mr. Price is a member of the faculty of the American Bankers Graduate School of Banking at Rutgers University and Associate Professor at the Graduate School of Business at Columbia University. He is being honored by the College for 45 years of "service in the banking industry and for many creative contributions to education."

Chairman of the Factors and Finance Division is William T. Blumberg of General Commercial Acceptance Corporation. The chairman of the Accountants Division is Irving L. Schwartz of Clarence Raines & Co.

The distinguished neurosurgeon, Dr. Leo M. Davidoff, Associate Dean of the College of Medicine and Chairman of its Department of Neurological Surgery, will be the guest speaker.

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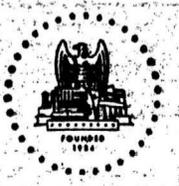
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Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

New money raising and refundings are going to keep the Treasury pretty much in the forefront of the money market for the balance of the year. In spite of the new money that is being obtained from the weekly sale of additional amounts of Treasury bills, it is evident that the Government will have to make more sizable offerings of securities in order to get the needed funds. An announcement as to how this will be done should be coming along soon.

Because of the successful advance refunding (more below) it appears as though the near-term and middle maturities will continue to be used for this operation.

The refundings which will have to be undertaken during the balance of the year will come mainly from the November and December maturities, with a small one, the 1½% notes, falling due in October.

The announcement by the Treasury last week that a modified form of competitive bidding used very successfully in the sale of public utility and tax exempt bonds would be used in the near future to sell Government bonds could bring about some interesting developments. If this method can be used to sell more than token amounts of Government bonds, it will have an important effect upon the bond market and the economy as a whole.

Emphasis on Short-Term Issues

The Treasury is expected to stay pretty much to the near-term and intermediate-term areas in its refunding and new money raising operations. It appears to be the opinion of most money market specialists that for the balance of the year the Government will not be going too far outside of the established pattern in its quest for funds whether it be for new money purposes or for the meeting of maturities as they come due. It is evident that the market for fixed income bearing obligations will continue to enjoy a favorable atmosphere as long as there is not going to be any sizable pick-up in the offering of either Government or corporate bonds.

Deficit Financing and Inflation

However, it seems as though the bond market will not be out in the clear until there is a decision as to whether or not there will be a reduction in taxes, because this will determine the size of the deficit that will have to be financed as the fiscal year goes along. It is expected that the larger the Federal deficit, the more likely it is that pressure will be exerted to finance at least a part of it through the sale of issues to the ultimate investor.

Nevertheless, it seems as though the bulk of the predicted deficit, with a cut in income taxes, will still have to be taken care of through the sale of short-term issues, many of which will be sold to the commercial banks. This would result in the creation of deposits that are purchasing power and, when added to the already ample supply of money and credit, could be the spark that might rekindle the inflationary fires which have troubled us in the past.

As long as there is excess production capacity in the country, as well as unemployment, however, prices are quite likely to remain stable, so that the forces of inflation should continue to be on the dormant side.

On the other hand, it may be that the economy will be able to stand a bit of an increase in de-

posits and purchasing power so that the business pattern will be given a fillip this way which is what a reduction in income taxes is expected to do. Where the limit is to this kind of a buildup in deposits and purchasing power will no doubt have to be determined by the monetary authorities because it cannot be allowed to get out of hand and bring about unfavorable developments in the economy.

Long Treasury Market Acting Well

The long-term sector of the Government bond market, due mainly to the favorable reception which was given to the 4½s of 1987/92 after they were issued by the Treasury, continues to attract investors that are interested in the highest quality available in a fixed income bearing issue. However, it seems as though the yields which are now obtainable in most bonds are approaching levels where it might not be adverse to take a look-see for a while since it does not seem as though the weather ahead is an conducive to such clear sailing as might be indicated by the current market action of these securities.

Even though it appears fairly certain that the Treasury will continue to raise its funds mainly from the usual sources, it is not beyond the realm of possibility that there could be some long-term financing by the Government before the year is over. Even a token amount of money obtained for either refunding or new money purposes would not be an unfavorable development. There might be a reopening of the 4½s of 1987-92 at some time in the future.

Results of Recent Exchange Offering

The report by the Treasury that \$5,240,000,000 of the 3½s of 1967 and \$2,249,000,000 of the 4s due 1972 were exchanged by public investors for the February and May 1963 maturities and that government trust accounts turned in \$341,000,000 indicates this advance refunding operation was the most successful one so far.

IBA Mun. Bond Adv. Contest

The Special Committee of the Investment Bankers Association of America for Public Education on Municipal Securities is again this year sponsoring an Annual Advertising and Sales Promotion Contest on Municipal Securities. The purpose of the contest is to provide recognition to member firms for outstanding work in broadening the market for municipal securities through the use of advertising and sales promotion techniques. The contest covers the period Oct. 1, 1961 through Sept. 30, 1962.

Awards will be made in the following categories for those entries which in the opinion of the judges best create new investor interest:

(a) Advertisements in newspapers or magazines excluding original new-issue advertising.

(b) Brochures, mailing pieces, pamphlets, or other printed literature on municipal bonds.

(c) New Sales promotion ideas established or outstanding innovation of new-issue advertising format published during the contest year.

All entries in this year's contest will be judged at the national

level by the Chairman of the Municipal Securities Committee and the Chairman of the Special Committee of the I. B. A. for Public Education on Municipal Securities, and the Chairman of the Education Committee.

Winners will be announced and awards presented at one of the open meetings of the Annual Convention of the I. B. A.

All entries should be submitted, by Sept. 30, 1962, directly to John M. Nash, I. B. A., Washington, D. C.

Hornblower, Weeks to Admit Partners

Royal G. Whiting and C. Austin Barker have been proposed for admission on Oct. 1, as partners in the New York Stock Exchange



Royal G. Whiting C. Austin Barker

firm of Hornblower & Weeks, 75-year-old brokerage and investment banking firm, it has been announced. They are located in the New York office, 1 Chase Manhattan Plaza.

Mr. Whiting, who joined Hornblower & Weeks in 1951, will be responsible for operation of the firm's three offices in midtown New York. Prior to becoming associated with Hornblower & Weeks, he worked for Firestone Tire & Rubber Company, and for Distisales, a market research company. From 1948 to 1950, he was in Paris, where he took a degree at the Sorbonne and worked for the Economic Cooperation Administration and the Council of Ministers. From 1946-48, he was assistant to the president of Haristone Realities Inc., a holding company.

Mr. Barker, who joined Hornblower & Weeks in 1959, is economist in charge of research for the firm. He began his business career in 1936 with Public Service Electric & Gas Co. of New Jersey and in 1944 joined Cleveland Electric Illuminating, where he served as senior economist in charge of financial and general research from 1949-59. His financial analyses have appeared in such publications as *Harvard Business Review*, *The Analysts Journal* and *Barron's*.

In addition, Ralph L. Pope, Jr. has been proposed for admission as a partner in Hornblower & Weeks' Boston office. He will assist in the administrative affairs of the firm's nine New England offices.

Bache Course for Chicago Investors

CHICAGO, Ill. — Bache & Co., members of the New York Stock Exchange, will conduct a four-week course on "The Fundamentals of Investing" at the firm's main board room, 140 South Dearborn Street, on four consecutive Wednesday evenings, beginning Sept. 26, and four consecutive Thursdays beginning Oct. 4, all at 6:30 p.m. The courses, covering a variety of timely investment topics, are offered free to all interested investors.

The Wednesday sessions will be conducted by Norman R. Wolff, while Donald R. Rose will conduct the Thursday lectures.

PUBLIC UTILITY SECURITIES BY OWEN ELY

United Gas Corporation

United Gas, serving a major part of the Gulf Coast area, is the largest handler of natural gas in the world and its growth has paralleled the growth and expansion of the natural gas industry. It was incorporated in 1930 as a combination of five major groups including forty associated companies. The company now has some 43 subsidiaries, the principal ones being United Gas Pipe Line which operates 9,182 miles of line, and Union Producing Company which produces gas and oil. United Gas Corp. itself handles retail distribution. An instrument division manufactures special instruments for the oil and gas industry, as well as data processing devices. Other important interests are a half ownership in Escambia Chemical (jointly owned with Electric Bond & Share), a petrochemical company; a 75% interest in Duval Sulphur & Potash which produces sulphur, potash, copper and molybdenum; and a 32.5% interest in Atlas Processing Co., which upgrades raw gasoline into various products.

Natural gas sales provided about 85% of 1961 revenues, the balance consisting of sales of crude oil, sulphur, potash and copper, gasoline, etc. Of the natural gas revenues, sales to industries including fuel to run utility generating plants accounted for 44%; other wholesale sales to utilities, etc., 41%; direct residential sales 10%; commercial 3% and miscellaneous 2%.

The System produces about one-seventh of its own natural gas requirements. It owns in fee some 2,868,000 acres (including acres covered by purchase contract); 1,407 gas wells and 893 oil wells are wholly or partially owned.

Production interests are principally in Texas, Louisiana and Mississippi, including off-shore developments. The size of the various divisions of the System are indicated by net plant account (in millions) as follows:

Natural Gas & Oil Production (Union Producing Co.)	\$165
Natural Gas Transmission & Gasoline (United Gas Pipe Line Co.)	372
Natural Gas Distribution (United Gas Corp.)	88
Sulphur, Potash, Copper etc. (Duval)	26
Total	\$651

In 1961 the System received revenues of \$386 million of which \$327 million reflected sales of natural gas and \$59 million sales of minerals, crude oil, gasoline, etc. The purchase of natural gas (together with royalties) cost \$208 million, operating and maintenance expense amounted to \$69 million, dry holes and abandoned leases were charged off at \$7 million, depreciation and depletion were \$28 million, and about \$28 million remained after taxes, interest, etc.

Construction expenditures approximated \$75 million in 1961 and are estimated at \$44 million for 1962, principally for new pipelines and the development of oil and gas production. Construction has been financed by internal cash, bank loans and bonds in 1961-2; the last equity financing was nine years ago. Currently the equity ratio is around 39%, following the sale of \$40 million bonds in June.

Like other big pipeline systems, United Gas earlier had a backlog of seven rate increase applications pending before the SEC. However, in March this year the FPC approved a settlement of six of these cases. As a result the company refunded a total of \$35.5

million (including interest of \$5.7 million to non-affiliated customers, out of the contingent revenues of \$167 million which it had collected from April 1, 1956 to June 15, 1961 — a refund of nearly 18%. Tax adjustments reduced the cost of the settlement to \$17.5 million. Share earnings have been adjusted for past years (1956-61 inclusive) for the amount of the refund; the reduction for 1961 has apparently not been published, but for the preceding five years it averaged about 23 cents a share. However, there may be a further retroactive adjustment relating to income taxes.

Subject to prior action by the FPC, a new rate increase of \$5,606,287 will become effective subject to refund on January 1, 1963; increased gas purchase costs and higher taxes are the basis for the requested rate boost. The FPC may dispose of this case before January 1; audited figures have been furnished and a conference is scheduled for October 22. However, while this will be the last of the pipeline cases, Union Producing's rates (involving about \$4 million) are also being investigated; the Examiner has held that Union's rates were excessive, but the commission is now reviewing his opinion, which the company holds disregards the area ceiling price concept and the cost of service principle.

In the first half of 1962 United Gas earned \$1.34 compared with \$1.19 in the same period of 1961, most of the improvement coming from natural gas operations. Oil revenues continued at about the same level and gasoline revenues were down, but income from copper and sulphur showed substantial increases. President Ed Parkes recently estimated that calendar year 1962 earnings would be between \$2.15 and \$2.25 per share, although Standard & Poor's had earlier estimated about \$2.30.

In a talk before the New York Society of Security Analysts, President Parkes stated that Duval's earnings should be better next year, and that that company "shows promise of much growth" it is conducting a pilot test of solution mining on its extensive potash deposits at Saskatchewan, Canada.

United Gas has been selling recently around 38 and pays \$1.60 to yield 4.2%. Dividends have been paid since 1944 but the increase this year was the first since the \$1.50 rate was established in 1955. The stock is selling at about 17 times estimated 1962 earnings.

Crews With Eppler, Guerin

DALLAS, Texas — James R. Crews has been named a Senior Staff member of the Corporate Financing Department of Eppler, Guerin & Turner, Inc., Fidelity Union Tower, members of the New York Stock Exchange.

Mr. Crews will fill a newly created position which is designed to amplify the corporate finance services offered by Eppler, Guerin & Turner. He will work directly with Dean P. Guerin, Vice-President.

Mr. Crews, for seven years was Senior Investment Analyst with New York Life Insurance Co. in Dallas, where he specialized in corporate financing.

As We See It Continued from page 1

ever is, a discontent so strong that any sort of change seems desirable whether or not it holds any reasonable promise of anything better or even as good as what is being discarded. In this country it burst forth in full force under the inspiration of Franklin Roosevelt and the New Deal. It continued with somewhat moderated intensity in the form of the Fair Deal under President Truman. It was somewhat further modified and toned down by the Eisenhower regime. The snake was scotched, not killed, however, and is now showing its ugly head all through the current regime in Washington. It is less a reasoned stand on current questions than an emotional reaction against anything that is (or was before the revolution started) and an almost blind assumption that various measures, none of which will stand the test of careful study and most of which have been tried and failed at various times in history, will work miracles.

Most of the so-called social legislation of the past decade or two owes its existence to this spirit and this readiness to leap without looking. It is now almost a sacrilege to question the merits of the so-called social security system, but it has grown and spread its operations in so many directions that we fail to take note at our own very serious risk. There was and is reason enough to question its validity and acceptability in its original form; there are many reasons to wonder what this ever growing system will ultimately lead to. Unfortunately, the system was set up in such a way that the unwary or the unsophisticated easily become victims of the notion that some sort of "reserve fund" will provide all the money that is needed in the future. Of course, the reserve fund has no assets except IOU's of the Treasury itself and hence can make no payments except out of what it takes currently from the people either as taxes or as receipts of sale of obligations.

And the Stock Market!

The abuses and the follies of investors during the 'Twenties made it easy to sell the public the idea of extended governmental control and supervision of the securities markets of the nation—that is, made it easy to do so in the early 'Thirties. Today there must be a good many who have begun to wonder, but the fact is that the "revolutionary spirit" behind this legislation is still too strong to permit any progress in the direction of freeing these very essential markets from the dead hand of government. What the end of all this will

be, the future alone can tell, but there is no reason to doubt that it has already cost a great deal. Of course, investors, or many of them, have not found it difficult to seek out ways to be foolish notwithstanding all the controls. Perhaps it was not a "revolutionary spirit" which led us into the morass of governmental subsidy of agriculture, but one may well doubt whether — had we not been victims of a radical point of view about almost everything under the sun — we should have ever got ourselves quite so deeply into this mess. As it is, whatever spirit led us into it is still strong enough in influential quarters to make it virtually impossible to get ourselves on dry land again. Of course, the notion that agriculture was and is somehow *sui generis* is very old, and has been rather popular in this country in one form or another for a long time. It may, however, be well doubted whether this leaning toward the physiocratic philosophy would ever of itself been strong enough to lead us to hand out the billions to the farmers of the land that we have in recent years.

A Crushing Tax System

Certainly, the "revolutionary spirit" had much to do with the current tax system which lays so heavy a hand upon all sorts of business enterprise. There was and there is, for that matter, a tendency in some quarters to feel elated at the idea of making the successful man pay through the nose for this success. There is, of course (according to all ideas of justice except that of the "revolutionary spirit") a failure to deal fairly with men who in past years have earned and managed to keep large sums of money. The feeling is akin to that of the revolutionary who would dethrone and perhaps behead the monarch under which he has been living. The system is, however, most damaging to us all when it applies to the individual who is in the process of getting rich, or would be but for a tax system which makes that virtually impossible. It would not be surprising if this general policy of taxation—the excessively progressive type—has cost us more than almost any other part of the revolutionary events of recent years.

Counter-Revolutionary Spirit Needed Now

Just how much this "revolutionary spirit" is in fact the cause of the rise of Bolshevism and how greatly the rise of the Soviets has nourished it, no one can say with authority. The fact is that for a very considerable span of years the trend of popular

thought has been in the direction of change merely for the sake of change. Neither World War did anything to put a halt to the rise of such a "revolutionary spirit." The great depression, at least in this country, gave it great impetus. What we need now—to borrow the jargon of revolution—is a strong counter-revolutionary spirit.

Gregory Dir. of Seeman Bros.

Election of William H. Gregory, III, to the Board of Directors of Seeman Brothers, Inc., was announced by John B. Fowler, Jr., Chairman. Mr. Gregory is a general partner of Gregory & Sons, 72 Wall Street, New York City, members of the New York Stock Exchange and other leading exchanges. Seeman Brothers are manufacturers of food products, canned goods, cereals and frozen foods.



Wm. H. Gregory III

Fed. to Survey Bank Stock Loans

A comprehensive survey of bank loans collateralized by stocks and bonds will be undertaken by the Federal Reserve System to fill an important gap in banking information related to security credit and to facilitate the Special Study of Securities Markets now being made by the Securities and Exchange Commission.

The study, announced jointly by the Securities and Exchange Commission and the Federal Reserve Board, will make it possible to estimate the total amount of bank credit secured by stocks and bonds—including loans for purposes other than purchasing and carrying securities, an area in which data are not regularly collected from banks and for which no benchmark data are available. It will also supply information on the types of securities serving as collateral for these bank loans, the purposes for which such loans have been made, and their terms and duration.

Detailed questionnaires will be sent to a broad sampling of banks belonging to the Federal Reserve System, including all those with total loans of \$200 million or more at the end of 1961, and covering a sample of each bank's loans outstanding on Sept. 26, 1962. All information reported by the banks concerning individual loans will be confidential and survey results will be published only in totals for groups of banks, loans, and types of collateral.

Information developed by this survey will be used by the SEC, along with the results of several other studies being conducted by the Commission, in connection with its Special Study of Securities Markets, to formulate recommendations for legislation in the area of securities-market credit. It will also be helpful to the Board of Governors in its continuing administration of Regulation U—relating to credit extended by banks on security collateral.

Tangible Economic Benefits From Our Space Program

Continued from page 1
Common Market countries. Our Marshall Plan helped these nations get back on their feet after World War II. Instead of going their independent way, France, West Germany, Italy, Holland, Belgium and Luxembourg—the so-called "Inner Six"—decided to combine into what has become one economic bloc. Now the rest of the Western European countries are taking similar steps. That's one great chunk of the world.

Then in the Far East we have the aggressive economic expansion of Japan which is not only shipping its products around the world and competing with us both at home and abroad, but is now ready to ship its know-how and money to our very shores. In the very near future certain of our states, anxious for industrial development, will very likely be welcoming Japanese investment in their backyards, as it were.

South of us, of course, we have the vast expanse of Latin America whose economic potential will be tested once the Alliance-for-Progress program gets strongly underway. For all practical purposes, Brazil and Argentina are the only highly-industrialized nations in Latin America, but the great natural resources and tremendous populations of their neighbors will be tapped for the first time when they receive those two basic ingredients for industrial success: money and technical aid.

What do all these things mean: the emergence of the European Common Market countries . . . the growing economic strength of Japan . . . the potential of a strong chain of industrial powers in Latin America . . . combined with the constant pressure from Russia? They mean but one thing to businessmen like us: a tremendous struggle for world markets as all these forces compete with the United States.

You now have a perfect right to ask—is the whole picture bleak, especially for me, the independent businessman who already has so much competition on a local scale?

Despite the negative indicators both at home and abroad, I must say there are a number of factors that should give a spirit of confidence to the American businessman.

Administration Not Anti-Business

First of all, I'm going to surprise many of you by saying I don't believe President Kennedy is seriously anti-business. His father may have called us SOB's—(after all, he is one himself, a businessman, that is)—but I sincerely believe the present Administration, unlike the Roosevelt Administration, does not want to "take on" Wall Street and the world of commerce. I should preface my remarks by stating I have always been and am now a staunch Republican.

I do believe President Kennedy is committed to a course of action that will stimulate and enlarge the economy. If we, in business fail, labor fails. We provide the jobs that in turn provide the structure of the whole labor movement. The President knows that. If we don't make a profit, we must cut back. That's logic, pure and simple. No cash in the kitty means no production of goods. No production of goods means no jobs. No jobs means recession or worse. Looking at it from a purely political viewpoint, nothing could be more harmful than this to the President.

I believe the President's skirmish with Big Steel was an unfortunate incident from all viewpoints. There's every reason in the world to believe the situation

will never duplicate itself. It was basically a struggle of wills, and the President won.

Since the steel donnybrook and the stock market collapse, Washington has been—how shall I express it—careful in its relationship with business. From here on in, government and business should get along reasonably well. They must! They need each other!

There are other factors that should make us feel confident. Detroit has had a good year, and the automotive estimate is still somewhere between 6½ to 7 million cars. Many businesses rise or recede depending upon Detroit.

Encouraging Indications

I think a tax cut for individuals and corporations will, when and if it goes into effect, pump more spending money into the economy and help ease the burden a bit for all of us.

The continued rise in personal income—although at a reduced rate—is a positive sign. Retail sales are continuing at a healthy pace. The unemployment situation is not critical. The increase in depreciation allowances for plant and equipment, is, of course, one of the more positive happenings this year. We'll have to pay these taxes, of course, but at least it will be over a longer period.

Another positive indication of the government's concern with business was the 20% reduction in stock margins, allowing a one-half payment on shares instead of 70%. This helped to firm up the market situation to a degree.

Everyone in business has been concerned with the stock market this year, more so than any year since 1929. Something we should bear in mind, however, is the basic strength of the market compared with 33 years ago. Although fluctuations in 1962 have been severe, we should remember there are striking differences between the two periods. Since the Big Board today deals in seven times as many shares as it did in 1929, paper losses should not be calculated in absolute terms but in relation to the total value of the stock. Our whole economic structure is different, too: consumer purchasing power has grown tremendously, our banking system has been greatly strengthened, and there are a host of built-in stabilizers.

These, then, have been positive items on the scene to boost our confidence: a good automotive year . . . the possibility of a tax cut . . . the continued rise in personal income . . . the generally strong state of retail sales . . . the stabilization of unemployment . . . the depreciation allowances for plant and equipment . . . the basic strength of Wall Street.

Nothing Like the Space Age

Nothing during 1962, however, can compare with what has become the most splendid single stroke for all kinds of business: the widening vistas into the Space Age.

Not since the discovery of America some 500 years ago has there been such a comparable concept striking the mind of man. The whole complexion of the world changed with Columbus's journey. The land he reached has become the richest and most powerful on earth. It is no exaggeration to say that today America, in a material sense, is the axle upon which the world turns.

The stalwart American named John Glenn, with the other Astronauts and the Russian Cosmonauts, are the pioneers of this century, braving both the air waves rising miles above us and

Continued on page 22

Tangible Economic Benefits From Our Space Program

Continued from page 21

the greatest of human fears: the unknown. And indeed the whole complexion of this world is changing with their journeys. It is no exaggeration to say that if we attain and hold the lead in space exploration, America will continue to be the axle upon which the world turns.

Like everything in life, it's going to cost money. Columbus turned to Queen Isabella. We, of course, will have to dig into our own pocketbooks.

To land a man on the moon may cost \$20 to \$30 billion by 1970. This is a conservative estimate for the program officially known as Project Apollo. Over the next two years, about \$6 billion will be poured into this project. Is this too much money? Earlier this year, Vice-President Johnson reminded us that our total space activities are costing less each year than the \$5 billion spent on cosmetics. I won't at this point mention the tab for tobacco and alcohol.

Now this \$30 billion or so for landing on the moon is but a part of the whole space bill. Our Government has committed itself to spending from \$40 to \$70 billion on military and civilian space projects alone. Some estimate the job cannot be done for less than \$100 to \$150 billion.

Now we're dealing with figures that defy the imagination as well as the computer. If there ever was a time for what we could call a "Policy Decision," now is that time.

Why Reach the Moon?

There are those who say: *why reach the moon?* Why don't we stay right here on earth and attempt to solve a few of our earth-bound problems—illiteracy, crime, juvenile delinquency, integration, unemployment, poverty, disease? Why is so much brain-power and cold hard cash being poured into a world so far beyond our terrestrial confines?

I'd like to tell some of the reasons why I believe we must probe the galaxies and plant our flag firmly on the moon. My views are not those of a layman. Our company, as most of you know, is already a 20-year-old veteran in this area.

First, in both a military and political sense, it is necessary for our survival. If Russia beats us to the punch, we shall have only ourselves to blame when the Hammer and Sickle tear the Stars and Stripes to shreds.

Secondly, if we back away from the Space Age, we shall be denying one of the greatest gifts and responsibilities man has: the right to grow and progress. Arthur Clarke, the space expert and author, said it so effectively in an address to the British Interplanetary Society: "The story of our race will be coming to an end," he said, "if men cease to dream, if they turn their backs upon the wonder of the universe."

Third—and so important—the benefits that space will bring, and has already brought, to mankind.

What are these benefits, you ask. Be specific! I think you will be amazed—as I was—to learn what already we have reaped in our thus far brief plunge into the worlds beyond our immediate planet. And remember, the curtain officially rang up on this new era in history only four short years ago.

I cannot possibly mention here all the immediate, concrete benefits that have been harvested so far in the Space Age, but here are some:

(1) A derivative of *hydrazine*, which was developed as a liquid

propellant, is currently being used to treat mental illness and tuberculosis.

(2) X-ray equipment developed for examination of POLARIS rocket motors now enables doctors to take x-ray photos at only 1/30th the previous radiation exposure.

(3) Painless, ultra-fast dental drills and tiny electronic devices to restore hearing have been developed from miniaturization, the process perfected for space and defense programs.

(4) A *rythm-control device* has been developed to keep faulty hearts functioning properly.

(5) The *pressurized space suits* developed for our Astronauts are now being used by victims of strokes to enable them to walk, and in some cases, work.

(6) *Pyroceram*, developed for missile radomes, is now being put to commercial use in the manufacture of pots and pans for the home.

(7) Research on *space food* has resulted in a process for making a highly-nutritive flour as well as a filter for improved coffee, and *infrared food blanching* for preparing foods for canning and freezing.

(8) A *portable radio powered by solar cells* is now being manufactured for civilian use.

(9) The *selenoid valve*, used to eliminate vibration in missiles, is now being applied to home-heating systems.

(10) *Subcircuits* developed for space communications are currently being applied to new commercial FM transmitters.

(11) Thermo-electric devices, originally designed to produce energy sources for space vehicles, are now being adapted for commercial heating and cooling applications.

I mention only a few immediate areas of benefit from the Space Age. And all of them are currently in the works, not just dreams or possibilities. I would need many more pages to describe some of the products, techniques, processes and concepts that have grown from space research and exploration and will one day become common place in our everyday lives.

Synthetic fabrics developed for space exploration that will revolutionize the garment industry here on earth . . . home appliances like toasters and refrigerators that will be virtually indestructible and completely independent of power supply lines . . . glass that will remain permanently sterile, power plants no bigger than a transistor radio . . . house paint that will never need retouching . . . tiny electronic controls that will automatically slow a car down when needed or even stop it to avoid danger . . . phototubes that will spot flames as part of a home alarm system . . . photochromic material that will make home or shop windows anti-glare . . . road signs that will change automatically as the weather changes . . . a chemical process that will make all kinds of water reusable and change sea water to fresh . . . special rubbers developed for rockets that will now replace metals . . . mail that will be delivered anywhere in the world in a matter of minutes.

Travel between New York and Los Angeles will be sliced to 30 minutes, from Los Angeles to Paris, 60 minutes . . . a push-button will, via closed-circuit TV, bring business associates together who are physically thousands of miles apart.

Telstar will probably bring you the 1964 Olympics from Japan, or if you prefer, opera from La Scala or the Folies Bergere from Paris. Tires will eventually spell out the weather situation throughout the

globe, compared to our present 20% coverage. Transit will allow ships of all nations to navigate by tuning in on a satellite 400 miles overhead.

Radio, of course, will be worldwide, and we will be able to telephone anywhere on earth, very possibly by picture-phone.

Impossible, you say? All of these great projects and products and systems will be as real as the telephone on a bed table, the TV set in a living room; the frozen food in a freezer. And all of them will come to life through space research and exploration.

No concept since the dawn of history will change, color and stimulate the economy of this country—and all the nations of the world—as will space. I suspect that within ten years the astronautics industry will be larger than the combined automotive industries of the entire world.

Yet Only Four Years Old

There are now 5,000 companies or research organizations in this country devoted to the space or missile industries. Our space requirements thus far have produced over 3,000 space-oriented products. The number of people employed in the various facets of the aerospace industry has climbed tremendously, while those employed in the aircraft industry have fallen off. And, I repeat, this era officially opened only four years ago—in October of 1958.

None of this might have happened, of course, without Sputnik. If we were living under normal conditions, the Space Age might still be confined primarily to science fiction. But with a wartime-like economy, everything is triggered into action. Great sums of money are spent in a way no country could feasibly afford in ordinary times. But these are most extraordinary times! Can you imagine what space will do for the economy during the next ten . . . 20 . . . 30 . . . years? Our expansion into this new realm will directly affect every major segment of the economy and indirectly affect thousands of businesses.

The question that might be next considered is: how DOES the future of the independent businessman look?

Good News for Independent Businessmen

Since our Government, and particularly the Kennedy Administration, is committed to aid the independent businessman, this whole space age movement is a good thing for all who run their own business.

President Kennedy said recently: " . . . the existence of capable, inventive and flexible small businesses in all parts of the country is reassuring to a nation which faces so many challenging tasks at home and abroad. Because of the vital role of small business both in peace and time of national emergency, we must do all in our power to protect and improve its position in the national economy."

It is a foregone conclusion that the place of the independent businessman is a firm and permanent one in the American scheme of things. Truth to tell, our economy cannot remain truly competitive without independent businessmen.

The opportunities in this country for one man to start with an idea and develop a business of his own is easily one of the most devastating arguments capitalism has against communism. I know many businessmen can reach back into their personal history and come up with a story rich in human endeavor about how they happened to hang up their own shingle. The economic uncertainties . . . the shoe-string years . . . the first sense of relaxation when your business began to take root . . . the gradual growth . . . and then, finally, the sweet odor of success.

No matter how you look at it, we are all involved in the giant task and opportunity of this dec-

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

"Bring Pencil and Paper"

A Vice-President and Trust Officer of one of the New England banks made the following statement at the First Municipal Conference in Chicago last week: "We've been disappointed in salesmen who seem to forget what we've told them in the past about types of bonds that are appropriate for us. I'd like to suggest that when you send salesmen calling on us for the first time, have them bring a pencil and paper to take a few notes." I don't know how justifiable this banker's complaint about salesmen who call upon him may be, but obviously he has been annoyed consistently by salesmen who offer him securities in which he has no interest. If this condition exists among institutional salesmen today, what an opportunity there is for the informed and tactful salesman who wishes to cultivate this business.

Your Customer

If you wish to sell bonds to a bank for portfolio investment, you are in competition with some of the most well informed bond men in the country. Salesmen representing some of the large bond houses who specialize in governments, agency bonds, municipals, and high-grade corporates, call on these banks regularly. They don't call once a month, or occasionally when they have a specific bond issue to offer. They deal in money, credit, government obligations, they talk shop, they KNOW the bank's officers personally, they supply them with quotes on portfolio bonds, daily markets, and they render a service. They keep their buyers informed.

Contrast this type of relationship with the salesman who makes a telephone call once in a while when he needs an order, or thinks he can sell some bonds that look particularly attractive. Then add insult to injury and imagine what is going through that banker's mind when he is called to the telephone during a busy day and some salesman he hardly remembers offers him

ade: space research and exploration. Both areas of American business—the large corporation and the independent firm—are dependent upon each other. Each must play its significant part if we are to be the first to put a man on the moon. Since Space is the most complex situation ever placed at man's doorstep, the difficulties and challenges will only intensify in the years ahead. But the task will be made more manageable in direct ratio to the growth, untampered freedom and increasing know-how of all of us engaged in the world of business.

I repeat it only because I am so firmly convinced of the truth of it: the future of this nation, its people and the kind of lives we shall live are hitched to a wagon headed directly for the stars. To labor, it means a multiplicity of job opportunities to replace those lost by automation or possible disarmament. To education, it means a new dimension to history and the men who make it. To science, it means the tapping of nature's secrets to understand more fully what makes the world tick. And to theology, it certainly means a greater awareness of the power of God.

*An address by Mr. O'Neil at the National Tire Dealers and Retreaders Assoc., St. Louis, Mo., Sept. 17, 1962.

bonds that are too long—too low rate—or revenues when he has told that salesman he is only interested in G. O's. Remember that this man is busy. He hasn't time for idle conversation about bonds that he can't use. He may be in the middle of an important conference and when that telephone rings, he answers. What do you think his reaction will be to the salesman who didn't have sense enough to find out what he is buying on the first call, or who forgot and didn't think it important enough to check his notes that he should have made after that first interview?

What You Should Know

All life insurance companies, as well as other substantial institutional companies, publish a list of their investments. Before you call on the investment officer of an institution, study their investment portfolio. If you would like to make a call to see an investment officer of an institution, write him a letter and ask him to send you a copy of the investment list so you can study it before you make the call. Tell him you want to do this and that you expect to call to see him, but before you do so you would appreciate it if he would do you this favor. That's one way to let him know you are not just another order taker.

If you are calling on a bank officer, ask him questions. How much are his deposits? Do they fluctuate much? In other words, are there periods in the year when deposits shrink rapidly and then build up again? What does he think his primary reserve should be in percent of total portfolio investments? How much his secondary reserves? How large are his time deposits? Does he buy tax-exempts? What maturities does he prefer? In what years (if any) is the bank heavy? What years light? What ratings does he prefer? Does he buy any income bonds or only G. O's. Could you have a list of his bond portfolio?

Possibly you could suggest some ideas to him from time to time. Would he like valuations on any bonds he owns now? Does he have any preference as to industry when considering corporates, if he buys them? Is there any section of the country where he is not buying—when it involves commitments in tax-exempts or utilities?

And when you have this information, don't put it in your file and forget about it. Consult it every time before you telephone him or make a personal call. You have enough competition when you are operating in this league without striking out before you come up to bat. Don't waste an investor's time, don't waste the time of an investment officer of a bank or an insurance company, or a trust officer, and don't waste your own. You will find no better method of gaining the good-will and the respect of these busy, informed men than to know WHAT THEY WANT—then try to offer it to them. There is no other way to sell them.

Anderson V.-P. of Kidder, Peabody

Robert W. Anderson has become associated with Kidder, Peabody & Co., Incorporated, 20 Exchange Place, New York City, as Vice-President.

Indications of Current Business Activity

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

	Latest Week	Previous Week	Month Ago	Year Ago		Latest Month	Previous Month	Year Ago	
AMERICAN IRON & STEEL INSTITUTE:					AMERICAN IRON AND STEEL INSTITUTE—				
Steel ingots and castings (net tons).....	Sep. 15 1,682,000	1,616,000	1,616,000	2,032,000	Steel ingots and steel for castings produced (net tons)—Month of July.....	6,179,000	6,691,785	8,091,958	
Index of production based on average weekly production for 1957-1959.....	Sep. 15 90.3	88.1	86.7	109.1	Shipments of steel products (net tons)—Month of July.....	4,504,907	5,359,570	5,120,808	
Unofficial indicated steel operations (per cent capacity). The American Iron & Steel Institute discontinued issuing this data late in 1960.....	Sep. 15 57.2	56.0	55.5	69.5	COAL OUTPUT (BUREAU OF MINES)—Month of August:				
AMERICAN PETROLEUM INSTITUTE:					COAL OUTPUT (BUREAU OF MINES)—Month of August:				
Crude oil and condensate output—daily average (bbls. of 42 gallons each).....	Sep. 7 7,320,860	7,266,010	7,260,710	7,085,010	Bituminous coal and lignite (net tons).....	39,015,000	22,710,000	37,847,000	
Crude runs to stills—daily average (bbls.).....	Sep. 7 8,581,000	8,413,000	8,546,000	8,472,000	Pennsylvania anthracite (net tons).....	1,325,000	904,000	1,533,000	
Gasoline output (bbls.).....	Sep. 7 31,327,000	30,404,000	30,535,000	30,272,000	COKE (BUREAU OF MINES)—Month of July:				
Kerosene output (bbls.).....	Sep. 7 3,204,000	2,787,000	3,024,000	2,965,000	Production (net tons).....	3,593,385	3,841,655	4,392,500	
Distillate fuel oil output (bbls.).....	Sep. 7 13,106,000	13,780,000	13,888,000	13,654,000	Oven coke (net tons).....	3,551,676	3,788,381	4,320,200	
Residual fuel oil output (bbls.).....	Sep. 7 5,531,000	5,194,000	5,176,000	5,796,000	Beehive coke (net tons).....	41,709	53,274	72,300	
Stocks at refineries, bulk terminals, in transit, in pipe lines.....					Oven coke stocks at end of month (net tons).....	3,975,844	3,832,074	4,353,533	
Finished gasoline (bbl.) at.....	Sep. 7 178,749,000	175,059,000	179,849,000	178,478,000	COTTON PRODUCTION (DEPT. OF COMMERCE) (500-lb. gross bales) as of Sept. 1				
Kerosene (bbls.) at.....	Sep. 7 36,429,000	35,479,000	32,917,000	35,529,000	14,687,000	15,102,000	14,317,954		
Distillate fuel oil (bbls.) at.....	Sep. 7 164,161,000	159,266,000	141,635,000	157,562,000	CROP PRODUCTION — CROP REPORTING BOARD U. S. DEPT. OF AGRICULTURE—				
Residual fuel oil (bbls.) at.....	Sep. 7 53,486,000	52,738,000	48,943,000	49,632,000	Crop as of Sept. 1 (in thousands):				
ASSOCIATION OF AMERICAN RAILROADS:					Corn for grain (bushels).....				
Revenue freight loaded (number of cars).....	Sep. 8 495,286	581,420	565,881	514,220	Wheat, all (bushels).....	3,485,030	3,549,633	3,624,313	
Revenue freight received from connections (no. of cars).....	Sep. 8 460,461	492,382	478,334	468,970	Winter (bushels).....	1,096,476	1,063,017	1,234,705	
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:					All spring (bushels).....				
Total U. S. construction.....	Sep. 13 \$413,600,000	\$271,200,000	\$538,400,000	\$523,300,000	Durum (bushels).....	281,448	247,989	158,431	
Private construction.....	Sep. 13 193,700,000	222,600,000	254,200,000	254,200,000	Other spring (bushels).....	67,077	57,119	18,955	
Public construction.....	Sep. 13 219,900,000	165,400,000	315,800,000	269,100,000	Oats (bushels).....	214,371	190,870	139,476	
State and municipal.....	Sep. 13 191,600,000	134,300,000	282,100,000	240,700,000	Earley (bushels).....	1,027,959	1,030,308	1,012,855	
Federal.....	Sep. 13 28,300,000	31,100,000	33,700,000	28,400,000	Rye (bushels).....	430,794	418,577	393,364	
COAL OUTPUT (U. S. BUREAU OF MINES):					Hay, clover and timothy (ton).....				
Bituminous coal and lignite (tons).....	Sep. 8 6,585,000	*8,755,000	8,260,000	7,239,000	Hay, alfalfa (ton).....	21,156	20,795	23,810	
Pennsylvania anthracite (tons).....	Sep. 8 271,090	280,000	315,000	294,000	Hay, lespedeza (ton).....	2,932	3,055	3,805	
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1957-59 AVERAGE=100					Beans, dry edible (cleaned) (100-lb. bag).....				
105	*116	100	93		Peas, dry field (cleaned) (100-lb. bag).....	19,252	18,805	20,006	
EDISON ELECTRIC INSTITUTE:					Soybeans for beans (bushels).....				
Electric output (in 000 kwh.).....	Sep. 15 16,837,000	15,999,000	17,159,000	15,869,000	Peanuts (pounds).....	669,011	702,594	693,023	
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.					Potatoes—				
270	204	306	292		Winter (cwt.).....	1,690,475	1,679,085	1,742,960	
IRON AGE COMPOSITE PRICES:					Early spring (cwt.).....				
Finished steel (per lb.).....	Sep. 10 6.196c	6.196c	6.196c	6.196c	Late spring (cwt.).....	4,395	4,395	4,967	
Pig iron (per gross ton).....	Sep. 10 \$66.44	\$66.44	\$66.44	\$66.44	Early summer (cwt.).....	3,443	3,443	4,640	
Scrap steel (per gross ton).....	Sep. 10 \$26.50	\$26.83	\$27.50	\$39.50	Late summer (cwt.).....	20,652	20,652	27,753	
METAL PRICES (E. & M. J. QUOTATIONS):					Apples, commercial crop (bushels).....				
Electrolytic copper.....	Sep. 12 30.600c	30.600c	30.600c	30.625c	Pears (bushels).....	12,537	12,477	15,496	
Domestic refinery at.....	Sep. 12 28.650c	28.675c	28.650c	28.275c	Late summer (cwt.).....	34,460	34,643	36,106	
Export refinery at.....	Sep. 12 9.500c	9.500c	9.500c	10.800c	Fall (cwt.).....	191,383	187,587	204,632	
Lead (New York) at.....	Sep. 12 9.300c	9.300c	9.300c	12.000c	Total (cwt.).....	266,870	263,197	293,594	
Lead (St. Louis) at.....	Sep. 12 12.000c	12.000c	12.000c	11.500c	Sweetpotatoes (cwt.).....	15,724	16,597	15,083	
Zinc (delivered) at.....	Sep. 12 11.500c	11.500c	11.500c	11.500c	Tobacco (pounds).....	2,154,588	2,134,995	2,058,302	
Zinc (East St. Louis) at.....	Sep. 12 24.000c	24.000c	24.000c	26.000c	Sugarcane for sugar and seed (tons).....	10,641	11,511	9,860	
Aluminum (primary pig, 99.5% at.....	Sep. 12 108.375c	108.500c	108.375c	120.750c	Sugar beets (tons).....	18,445	18,333	17,664	
Straits tin (New York) at.....	Sep. 12 88.71	88.65	88.40	87.15	Broomcorn (tons).....	23	24	25	
MOODY'S BOND PRICES DAILY AVERAGES:					Hops (pounds).....				
U. S. Government Bonds.....	Sep. 18 87.32	87.13	86.91	85.59	Apples, commercial crop (bushels).....	120,195	122,635	126,770	
Average corporate.....	Sep. 18 91.48	91.34	90.91	89.51	Pears (bushels).....	75,423	75,000	77,895	
Aaa.....	Sep. 18 87.37	87.23	86.91	85.59	Grapes (tons).....	28,473	28,412	27,080	
Aa.....	Sep. 18 87.18	87.05	86.15	84.68	Cherries (tons).....	3,094	3,174	3,287	
A.....	Sep. 18 81.90	81.78	81.54	80.81	Apricots (tons).....	158	163	191	
Baa.....	Sep. 18 83.79	83.66	83.40	82.90	Cranberries (barrels).....	1,394	1,394	1,236	
Railroad Group.....	Sep. 18 88.81	88.81	88.81	86.51	Pecans (pounds).....	81,000	90,600	246,750	
Public Utilities Group.....	Sep. 18 89.51	89.37	88.67	87.32	INDUSTRIAL PRODUCTION—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—1957 Average = 100 — Month of August:				
Industrials Group.....	Sep. 18 3.87	3.86	3.90	3.95	Seasonally adjusted.....	119	119	113	
MOODY'S BOND YIELD DAILY AVERAGES:					Unadjusted.....				
U. S. Government Bonds.....	Sep. 18 4.61	4.62	4.64	4.74	117	113	111		
Average corporate.....	Sep. 18 4.31	4.32	4.35	4.45	MOODY'S WEIGHTED AVERAGE YIELD—100 COMMON STOCKS—Month of August:				
Aaa.....	Sep. 18 4.46	4.47	4.48	4.59	Industrials (125).....	3.53	3.58	2.95	
Aa.....	Sep. 18 4.62	4.63	4.66	4.81	Railroads (25).....	5.65	5.75	4.87	
A.....	Sep. 18 5.03	5.04	5.06	5.12	Utilities (not incl. Amer. Tel. & Tel.) (24).....	3.23	3.27	2.99	
Baa.....	Sep. 18 4.88	4.89	4.91	4.95	Banks (15).....	3.43	3.45	3.03	
Railroad Group.....	Sep. 18 4.50	4.50	4.50	4.67	Insurance (10).....	2.63	2.68	2.19	
Public Utilities Group.....	Sep. 18 4.45	4.46	4.51	4.61	Average (200).....	3.50	3.59	3.00	
Industrials Group.....	Sep. 18 365.4	368.8	369.5	376.0	NEW CAPITAL ISSUES IN GREAT BRITAIN MIDLAND BANK LTD.—Month of August				
MOODY'S COMMODITY INDEX					\$49,642,000				
365.4	368.8	369.5	376.0	£62,080,000					
NATIONAL PAPERBOARD ASSOCIATION:					£36,032,000				
Orders received (tons).....	Sep. 8 301,263	358,991	346,263	286,818	NONFARM REAL ESTATE FORECLOSURES—				
Production (tons).....	Sep. 8 257,064	359,995	362,201	261,790	FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION—Month of June				
Percentage of activity.....	Sep. 8 72	97	98	76	7,396	7,214	6,576		
Unfilled orders (tons) at end of period.....	Sep. 8 514,740	475,662	524,704	549,084	RUBBER MANUFACTURING ASSOCIATION INC.—Month of July:				
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1947 AVERAGE=100					Passenger & Motorcycle Tires (Number of)—				
113.62	112.98	113.26	114.04	Shipments.....					
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS:					Production.....				
Transactions of specialists in stocks in which registered—					Inventory.....				
Total purchases.....	Aug. 24 2,923,900	2,617,540	1,961,560	2,608,230	Tractor Implement Tires (Number of)—				
Short sales.....	Aug. 24 632,710	595,610	541,800	415,140	Shipments.....				
Other sales.....	Aug. 24 2,173,370	2,055,610	1,285,360	2,117,050	Production.....				
Total sales.....	Aug. 24 2,806,080	2,651,220	1,827,160	2,532,190	Inventory.....				
Other transactions initiated off the floor—					Passenger, Motorcycle, Truck and Bus Inner Tubes (Number of)—				
Total purchases.....	Aug. 24 686,730	586,090	309,820	537,280	Shipments.....				
Short sales.....	Aug. 24 97,100	101,000	90,000	55,580	Production.....				
Other sales.....	Aug. 24 495,090	384,710	208,550	480,800	Inventory.....				
Total sales.....	Aug. 24 592,190	485,710	296,550	536,360	Tread Rubber (Camelback)—				
Other transactions initiated on the floor—					Shipments (pounds).....				
Total purchases.....	Aug. 24 1,067,985	970,626	614,281	953,271	Production (pounds).....				
Short sales.....	Aug. 24 225,019	164,500	96,140	84,400	Inventory (pounds).....				
Other sales.....	Aug. 24 835,983	603,676	318,141	779,032	Truck and Bus Tires (Number of)—				
Total sales.....	Aug. 24 1,800,650	1,000,483	609,816	863,432	Shipments.....				
Total round-lot transactions for account of members—					Production.....				
Total purchases.....	Aug. 24 4,678,615	4,174,256	2,885,661	4,098,781	Inventory.....				
Short sales.....	Aug. 24 954,829	861,110	727,940	555,100	TREASURY MARKET TRANSACTIONS IN DIRECT AND GUARANTEED SECURITIES OF U. S. A.—Month of August:				
Other sales.....	Aug. 24 3,624,091	3,276,303	2,085,588	3,376,880	Net sales.....				
Total sales.....	Aug. 24 4,578,920	4,137,413	2,823,528	3,931,982	Net purchases.....				
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE—SECURITIES EXCHANGE COMMISSION					\$304,377,300				
Odd-lot sales by dealers (customers' purchases)—†					\$61,901,000				
Number of shares.....	Aug. 24 1,600,511	1,362,876	1,189,302	1,707,933	\$17,319,500				
Dollar value.....	Aug. 24 \$79,561,191	\$64,580,020	\$55,565,900	\$93,434,082	U. S. GOVT. STATUTORY DEBT LIMITATION				
Odd-lot purchases by dealers (customers' sales)—					As of Aug. 31 (000's omitted):				
Number of orders—customers' total sales.....	Aug. 24 1,578,678	1,452,879	1,117,814	1,879,502	Total face amount that may be outstanding at any time.....				
Customers' short sales.....	Aug. 24 29,913	27,722	40,180	11,279	\$308,000,000				
Customers' other sales.....	Aug. 24 1,548,765	1,425,157	1,077,634	1,868,223	Outstanding—				
Dollar value.....	Aug. 24 \$79,971,767	\$68,372,694	\$52,962,030	\$95,671,971	Total gross public debt.....				
Round-lot sales by dealers—					\$301,841,941				
Number of shares—Total sales.....	Aug. 24 498,520	470,340	331,900	660,350	Guaranteed obligations not owned by the Treasury.....				
Short sales.....	Aug. 24 498,520	470,340	331,900	660,350	469,830				
Other sales.....	Aug. 24 513,100	408,040	433,930	453,010	Total gross public debt & guaranteed obligations.....				
ROUND-LOT PURCHASES BY DEALERS—Number of shares.....					\$302,311,771				
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					\$298,323,578				
Total round-lot sales.....	Aug. 24 1,395,770	1,247,570	1,124,240	739,380	\$293,963,683				
Short sales.....	Aug. 24 19,773,040	18,082,630	13,304,380	17,479,470	Deduct—Other outstanding public debt obligations not subject to debt limitation.....				
Other sales.....	Aug. 24 21,168,810	19,330,200	14,428,620	18,218,850	373,961				
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):					Grand total outstanding.....				
Commodity Group.....	Sep. 11 101.2	100.8	100.6	a	\$301,937,810				
All commodities.....	Sep. 11 100.4	98.4	97.9	a	\$297,890,976				
Farm products.....	Sep. 11 103.3	102.2	1						

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, firm offering dates.

Also shown under the caption "Effective Registrations" are those issues which became effective this week and were offered publicly.

● ABC Business Forms, Inc. (10/1-5)

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.

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.

Aerosystems Technology Corp.

Aug. 29, 1962 filed 165,000 common. Price—\$3. **Business**—Company has been engaged in experimentation on aerodynamic concepts and holds ten U. S. Patents relating to advanced vertical lift vehicles and systems for achieving controlled vertical flight. **Proceeds**—For additional equipment, research and development, plant facilities and other corporate purposes. **Office**—Route 15, Sparta, N. J. **Underwriter**—Chase Securities Corp., N. Y.

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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.

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.

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 will be withdrawn.

● Alcolac Chemical Corp. (10/22)

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

Allegheny Aluminum Industries, Inc.

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

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**—To be named.

Alisco Electronics, Inc.

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 \$900,000 of 6% convertible subordinated debentures and 90,000 common, to be offered in units consisting of one \$100 debenture and 10 shares. Price—\$100 per unit. **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 early October.

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 (10/8-11)

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. (10/1-5)

March 26, 1962 filed \$1,685,000 of 6½% convertible subordinated debentures due Sept. 1, 1977; also 275,000 common. Price—For debentures, at par; for stock, by amendment. **Business**—Transportation, distribution and sale of natural gas. **Proceeds**—For debt repayment and expansion. **Office**—546 S. 24th Ave., Omaha. **Underwriter**—Cruttenden, Podesta & Miller, Chicago.

● American Kosher Provisions, Inc. (10/17)

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 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. (10/8-11)

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.

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**—Paranus, N. J. **Underwriter**—McDonnell & Co., N. Y. **Note**—This registration was withdrawn.

Arden Farms Co.

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

Argus Financial Fund, Inc.

Feb. 12, 1962 filed 800,000 capital shares to be offered in exchange for certain securities acceptable to the Fund. Price—Net asset value (expected at \$12.50 per share).

Business—A diversified open-end investment company which plans to participate in the long-term progress of savings and loan associations, and allied financial businesses. **Proceeds**—For investment. **Office**—1118 Torrey Pines Road, La Jolla, Calif. **Dealer-Manager**—Argus Financial Sales Corp. (same address).

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. (9/24-26)

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.

Badger Northland, Inc.

Sept. 7, 1962 filed \$800,000 of subord. conv. debentures due Oct. 1, 1982. **Price**—At par. **Business**—Manufacture of farm equipment. **Proceeds**—For new plant, an acquisition, debt repayment and working capital. **Address**—Kaukauna, Wis. **Underwriter**—Loewi & Co. Inc., Milwaukee.

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.

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.

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.

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**—2640 Poplar Ave., Memphis, Tenn. **Underwriters**—Lieberbaum & Co., and Nathanson & Co., Inc., New York. **Offering**—Imminent.

Blue Magic Co. of Ohio, Inc. (11/7-9)

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 \$400,000 of convertible debentures and 28,000 common shares to be offered in units, each consisting of a \$500 debenture and 35 shares. **Price**—\$675 per unit. **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., New York. **Offering**—Imminent.

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**—Phillips, Appel & Walden, 115 Broadway, N. Y. **Note**—This registration was withdrawn.

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. (10/15-19)

Feb. 12, 1962 filed 200,000 common, of which 120,000 are to be offered by the company and 80,000 by stockholders. **Price**—\$5. **Business**—Manufacturer of women's and children's tailored panties. **Proceeds**—For debt repayment, inventory and working capital. **Office**—Fajardo, Puerto Rico. **Underwriter**—Schweickart & Co., N. Y.

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.

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**—Penaluna & 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.

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. (10/15-19)

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.

Church Builders, Inc.

Feb. 6, 1961 filed 50,000 shares of common stock, series 2. **Price**—\$5.50 per share. **Business**—A closed-end diversified management investment company. **Proceeds**—For investment. **Office**—501 Bailey Ave., Fort Worth, Texas. **Distributor**—Associates Management, Inc., Fort Worth.

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.

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. (10/8-11)

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.

Continued on page 26

Continued from page 25

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 Concepts Inc. (10/8-11)

Dec. 29, 1961 filed 100,000 class A common. Price—\$5. Business—Development and sale of advanced programming systems, for solution of business problems by the use of digital computers. Proceeds—For general corporate purposes. Office—1012 14th St., N. W., Washington, D. C. Underwriter—Doff & Co., N. Y.

Computer Control Co., Inc.

Jan. 24, 1962 filed 157,500 common, of which 62,500 are to be offered by the company and 95,000 by stockholders. Price—By amendment. Business—Design and manufacture of digital equipment. Proceeds—For debt repayment. Office—983 Concord St., Framingham, Mass. Underwriter—Kidder, Peabody & Co., N. Y. 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, jewelry, etc. Proceeds—For general corporate purposes. Office—525-535 E. 137th St., New York City. Underwriter—M. G. Davis, 150 Broadway, N. Y.

Concrete Structures, Inc.

July 27, 1962 filed 100,000 common. Price—\$4.50. Business—Production of precast and prestressed concrete items for the construction industry. Proceeds—For debt repayment. Office—12825 North East 14th Ave., North Miami, Fla. Underwriter—Bernard M. Kahn & Co., Inc., New York.

Consolidated Leasing Corp. of America

(10/1-5)

April 27, 1962 filed \$1,000,000 of 6½% subord. debentures due 1977 (with warrants), and 99,000 common. 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, Volzin & 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.

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—To be named. Note—This firm formerly was named Control Dynamics, Inc. Offering—Indefinitely postponed.

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. (10/22-26)

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. (9/24-28)

March 29, 1962 filed 70,000 common. Price—By amendment. Business—Engaged in residential real estate development. Proceeds—For debt repayment and other corporate purposes. Office—905 Fifteen Peachtree Bldg., Atlanta, Ga. Underwriters—McDonnell & Co., Inc., N. Y., and Wyatt, Neal & Waggoner, Atlanta.

Creative Ventures Corp.

May 28, 1962 filed 150,000 common and warrants to purchase 30,000 additional shares, to be offered in units of one share and one warrant. Price—\$2.25 per unit. Business—A corporate guidance and interim financing concern. Company may also act as a broker-dealer and underwriter. Proceeds—For investment. Office—733 Third Ave., N. Y. Underwriter—Hampstead Investing Corp., New York.

Credit Department, Inc.

Jan. 26, 1962 filed \$1,200,320 of 7% conv. subord. debentures due 1974 and 54,560 common shares to be offered in 2,728 units, each consisting of \$440 of debentures and 20 common shares. Price—\$550 per unit. Business—A consumer sales finance company. Proceeds—For debt repayment. Office—1775 Broadway, N. Y. Underwriter—Bernard M. Kahn & Co., Inc., N. Y.

Crownco

Mar. 26, 1962 filed 115,000 common. Price—\$4. Business—Design, sale, fabrication and installation of acoustical ceilings. Proceeds—For debt repayment and expansion. Office—1925 Euclid Ave., San Diego. Underwriter—R. J. Henderson & Co., Los Angeles.

C-Thru Products, Inc.

June 22, 1962 ("Reg. A") 90,000 common. Price—\$1.50. Business—Design and manufacture of flexible, re-usable vinyl packages. Proceeds—For debt repayment, sales promotion, equipment, research and development, and working capital. Office—2401 Pacific St., Brooklyn, N.Y. Underwriter—Broadwall Securities, Brooklyn, N.Y.

D. C. Transit Systems, Inc.

April 30, 1962 filed \$6,250,000 of 6½% conv. subord. debentures due 1977 and five-year warrants to purchase an aggregate of 187,500 class A shares, to be offered for subscription by holders of class A and class B stock in units consisting of \$100 of debentures and three warrants. Price—\$100 per unit. Business—Operation of a public transit system in Washington, D. C.; a new subsidiary to construct housing projects in Washington, D. C. Proceeds—For construction and general corporate purposes. Office—3600 M St., N. W., Washington, D. C. Underwriter—None.

Data Systems Devices of Boston, Inc.

April 26, 1962 filed 200,000 common. Price—\$5. Business—Company plans to design, develop and produce electronic and electro-mechanical devices, including printers for electronic computers. Proceeds—For product development, new plant and equipment and working capital. Office—342 Western Ave., Boston. Underwriter—Schmidt, Sharp, McCabe & Co., Inc., Denver.

Decorel Corp.

Dec. 29, 1961 filed 120,000 common, of which 90,000 are to be offered by the public and 30,000 by a stockholder. Price—By amendment. Business—Production and sale of wood and metal framed pictures, wood utility frames, etc. Proceeds—For debt repayment, inventory, and working capital. Office—444 Courtland St., Mundelein, Ill. Underwriter—To be named.

Deuterium Corp.

Sept. 28, 1961 filed 140,000 common with attached warrants to purchase an additional 140,000 shares to be offered for subscription by stockholders in units (of one share and one warrant) on the basis of 3 units for each 5% preferred share held, 2 units for each 5% preferred A stock held and one unit for each 10 class B shares held. Price—\$20 per unit. Business—Company plans to manufacture and utilize all kinds of chemical materials. Proceeds—For start-up expenses, for a laboratory and small plant. Office—360 Lexington Ave., New York. Underwriter—None.

Diamond Dust Co., Inc.

Feb. 27, 1962 filed 102,000 common. Price—\$3. Business—Production of graded diamond powder and compound. Proceeds—For debt repayment, additional personnel, advertising and working capital. Office—77 Searing Ave., Mineola, N. Y. Underwriter—Magnus & Co., N. Y. Offering—Indefinitely postponed.

Diamond Mills Corp.

Jan. 23, 1962 filed 200,000 common, of which 120,000 are to be offered by the company and 80,000 by stockholders. Price—By amendment. Business—Manufacture of women's nylon hosiery. Proceeds—For debt repayment 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 Nov.

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. (9/26)

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. Underwriters—Crierie & Co., Inc., and W. R. Reisch & Co., Inc., New York.

Dyna Mfg. Co.

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—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif. Offering—In November.

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. Offering—Expected in mid-October.

Dynamic L. P. Industries, Inc.

June 21, 1962 filed 75,000 common. Price—\$4. Business—Manufacturing, labeling and packaging of long playing stereophonic and monaural phonograph records for label record companies. Proceeds—For equipment and working capital. Office—900 Passaic Ave., East Newark, N. J. Underwriter—Mortimer B. Burnside & Co., Inc., New York.

Eastern Camera & Photo Corp.

March 28 1962 filed \$500,000 of 6% conv. subord. debentures due 1972 and 50,000 common shares (of which 25,000 will be sold by the company and 25,000 by stockholders). The securities are to be offered in units of one \$100 debenture and 10 shares. Price—By amendment. Business—Operation of retail camera stores and department store concessions. Company also processes black and white film and repairs photographic equipment. Proceeds—For debt repayment and working capital. Office—68 W. Columbia St., Hempstead, N. Y. Underwriters—Edwards & Hanley, Hempstead, L. I., and Street & Co., Inc., N. Y. Offering—Indefinitely postponed.

Eastern Pennsylvania Investment Co.

March 16, 1962 filed 450,000 common. Price—By amendment (max. \$16). Business—A small business investment company. Proceeds—For general corporate purposes. Office—3 Penn Center Plaza, Philadelphia. Underwriters—Drexel & Co., Philadelphia and Kidder, Peabody & Co., N. Y.

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. (10/1-5)

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. (9/24-26)

March 22, 1962 filed 125,000 common. Price—\$3. Business—Manufacture and distribution of components for background music; design, construction and installation of specialized closed circuit TV system. Proceeds—For debt repayment, expansion, sales promotion and working capital. Office—103 E. Hawthorne Ave., Valley Stream, N. Y. Underwriters—V. S. Wickett & Co., Inc., Thomas, Williams & Lee, Inc., and Crosse & Co., Inc., New York.

Emcee Electronics, Inc. (10/1-5)

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.

• **Ernst, Inc. (10/15-19)**
Aug. 21, 1962 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Manufacturing of men's ties. **Proceeds**—For debt repayment, new products, equipment and working capital. **Office**—712 Sansome St., San Francisco. **Underwriter**—Burr, Wilson & Co., Inc., San Francisco.

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. **Ad-**

dress—Stillwater, Minn. **Underwriter**—Pewters, Donnelly & Jansen, Inc., St. Paul.

• **Fairlane Finance Co., Inc. (10/2-5)**
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.

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.

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.

Fieldcrest Mills, Inc. (10/1-5)
Aug. 31, 1962 filed 300,000 capital shares, of which 200,000 are to be offered by company and 100,000 by stockholders. **Price**—By amendment (max. \$15). **Business**—Design, manufacture and marketing of household textile products. **Proceeds**—For debt repayment and working capital. **Address**—Spray, N. C. **Underwriter**—Blyth & Co., Inc., N. Y.

First American Israel Mutual Fund (10/29-31)
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. (9/26)**
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. (10/29-31)
March 9, 1962 filed 200,000 common. **Price**—By amendment (max. \$15). **Business**—A small business investment company. **Proceeds**—For investment. **Office**—955 Main St., Bridgeport, Conn. **Underwriter**—P. W. Brooks & Co., N. Y.

First Income Realty Trust
Nov. 9, 1961 filed 500,000 shares of beneficial interest. **Price**—(For the first 10,000 shares) \$10.80 per share. (For the balance) Net asset value plus 8% commission. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—1613 Eye St., N. W., Washington, D. C. **Underwriter**—Sidney Z. 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.

Continued on page 28

NEW ISSUE CALENDAR

September 20 (Thursday)

Gulf, Mobile & Ohio RR. **Equip. Trust Cffs.**
(Bids 12 noon CDST) \$4,140,000
San Diego Gas & Electric Co. **Common**
(Offering to stockholders—underwritten by Blyth & Co., Inc.) 500,000 shares

September 24 (Monday)

Aubrey Manufacturing, Inc. **Common**
(Pierce, Carrison, Wulbern, Inc. and A. M. Kidder & Co., Inc.) 140,004 shares
Cousins Properties, Inc. **Units**
(McDonnell & Co., Inc. and Wyatt, Neal & Waggoner) 70,000 shares
Electronic Transmission Corp. **Common**
(V. S. Wickett & Co., Inc.; Thomas, Williams & Lee, Inc.; and Crosse & Co., Inc.) \$375,000
Lyntex Corp. **Units**
(P. W. Brooks & Co., Inc.) 1,200 units
Maust Coal & Coke Corp. **Common**
(Eastman Dillon, Union Securities & Co.) 250,000 shares
Maust Coal & Coke Corp. **Debentures**
(Eastman Dillon, Union Securities & Co.) \$5,000,000
Northeastern Plastics, Inc. **Units**
(Reuben, Rose & Co., Inc. and M. G. Hill & Co.) \$200,000
Rimak Electronics, Inc. **Notes**
(Thomas Jay, Winston & Co., Inc.) \$300,000
Stelber Cycle Corp. **Common**
(Lloyd Securities, Inc.) \$325,000
Suburban Water Service Co. **Preferred**
(Putnam & Co.) 30,000 shares
Walston Aviation, Inc. **Common**
(White & Co., Inc.) \$562,500
Worth Financial Corp. **Common**
(D. A. Bruce & Co.) \$305,000
Wyle Laboratories **Debentures**
(Kidder, Peabody & Co. and Mitchum, Jones & Templeton, Inc.) \$2,500,000

September 25 (Tuesday)

House of Vision, Inc. **Common**
(Hornblower & Weeks) 150,000 shares
Iowa Southern Utilities Co. **Bonds**
(Bids 11 a.m. CDST) \$4,900,000
Larsen Co. **Common**
(Robert W. Baird & Co., Inc.) 103,638 shares
Riker Delaware Corp. **Units**
(H. Neuwirth & Co., Inc.) \$1,500,000

September 26 (Wednesday)

Dudley Sports Co., Inc. **Common**
(Crierle & Co., and W. R. Reisch & Co.) \$158,750
First Colorado Bankshares Inc. **Common**
(Bosworth, Sullivan & Co., Inc.) 37,000 shares
Zayre Corp. **Common**
(Lehman Brothers) 475,000 shares

September 27 (Thursday)

Lady Baltimore Foods, Inc. **Class A**
(Blackford & Co.) \$300,000

October 1 (Monday)

ABC Business Forms, Inc. **Common**
(Givens & Co., Inc.) \$180,250
American Gas Co. **Common**
(Cruttenden, Podesta & Miller) 275,000 shares
American Gas Co. **Debentures**
(Cruttenden, Podesta & Miller) \$1,685,000
Consolidated Leasing Corp., of America **Common**
(Blair & Co.) 99,000 shares
Consolidated Leasing Corp. of America **Debentures**
(Blair & Co.) \$1,000,000
Electromagnetic Industries, Inc. **Common**
(Pierce, Carrison, Wulbern, Inc.) 70,000 shares
Electromagnetic Industries, Inc. **Debentures**
(Pierce, Carrison, Wulbern, Inc.) \$250,000
Emcee Electronics, Inc. **Units**
(Weil & Co., Inc.) \$400,000

Fieldcrest Mills, Inc. **Capital**
(Blyth & Co., Inc.) 300,000 shares
National Blank Book Co. **Common**
(Blyth & Co., Inc.) 160,000 shares
Orbit Stores, Inc. **Common**
(Norton, Fox & Co., Inc.) 100,000 shares
Plantation Chocolate Co. **Common**
(S. Schramm & Co., Inc.) \$300,000
R. E. D. M. Corp. **Common**
(Meade & Co., Inc.) 125,000 shares
Security Aluminum Corp. **Common**
(Vickers, MacPherson & Warwick, Inc.) 200,000 shares
Texas Gas Producing Co. **Units**
(Equitable Securities Corp.) \$1,000,000
Zero Mountain, Inc. **Common**
(Don D. Anderson & Co., Inc.) \$300,000

October 2 (Tuesday)

Be-Mac Transport Co., Inc. **Common**
(Edward D. Jones & Co.) 50,000 shares
Consolidated Edison Co. of New York, Inc. **Bonds**
(Bids 11 a.m. EDST) \$75,000,000
Fairlane Finance Co., Inc. **Debentures**
(Alester G. Furman Co., Inc.) \$300,000

October 5 (Friday)

Smith-Corona Marchant, Inc. **Preferred**
(Offering to stockholders—underwritten by First Boston Corp.) 241,000 shares

October 8 (Monday)

American Flag & Banner Co. of New Jersey **Common**
(K-Pac Securities Corp.) \$325,000
American Plan Corp. **Units**
(Bear, Stearns & Co.) 248,000 units
College Publishing Corp. **Common**
(James Co.) \$155,000
Computer Concepts Inc. **Common**
(Doft & Co.) \$500,000
Gulf Atlantic Utilities, Inc. **Common**
(Pierce, Carrison, Wulbern, Inc.) 90,000 shares
Hallandale Rock & Sand Co. **Units**
(Mutch, Khanbegian, Flynn & Green, Inc.) \$450,000
Laminetics Inc. **Common**
(Fabricant Securities Corp.) \$280,000
McGrath (John W.) Corp. **Common**
(Bear, Stearns & Co.) 253,875 shares
Putnam Management Co., Inc. **Common**
(Paine, Webber, Jackson & Curtis and Kidder, Peabody & Co., Inc.) 150,000 shares
Ridgway (L. L.) Enterprises, Inc. **Common**
(Underwood, Neuhaus & Co., Inc., and Rotan, Mosle & Co.) 155,000 shares
Servotronics, Inc. **Capital**
(General Securities Co., Inc.) \$375,000

October 10 (Wednesday)

Southern Pacific Co. **Equip. Trust Cffs.**
(Bids 12 noon EDST) \$6,000,000

October 15 (Monday)

Cameo Lingerie, Inc. **Common**
(Schweickart & Co.) \$1,000,000
Chestnut Hill Industries, Inc. **Common**
(Clayton Securities Corp.) \$2,250,000
Ernst, Inc. **Common**
(Burr, Wilson & Co., Inc.) \$300,000
Jackson's/Byrons Enterprises, Inc. **Class A**
(Clayton Securities Corp.) 120,000 shares
Jackson's/Byrons Enterprises, Inc. **Debentures**
(Clayton Securities Corp.) \$750,000

October 17 (Wednesday)

American Kosher Provisions, Inc. **Common**
(Willard Securities, Inc.) \$650,000

October 22 (Monday)

Alcolac Chemical Corp. **Common**
(Robert Garrett & Sons) 50,000 shares
Cosnat Corp. **Common**
(Van Alstyne, Noel & Co.) 190,000 shares
Lewis (Tillie) Foods, Inc. **Debentures**
(Van Alstyne, Noel & Co.) \$4,000,000
Pak-Well Paper Industries, Inc. **Class A**
(Francis I. du Pont & Co.) 150,000 shares

October 23 (Tuesday)

American Telephone & Telegraph Co. **Debentures**
(Bids to be received) \$250,000,000
Heck's Discount Centers, Inc. **Common**
(Willard Securities, Inc.) 125,000 shares

October 24 (Wednesday)

Met Food Corp. **Debentures**
(Brand, Grumet & Siegel, Inc.) \$1,500,000
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)

First American Israel Mutual Fund **Ben. Int.**
(Paine, Webber, Jackson & Curtis) 2,750,000 shares
First Connecticut Small Business Investment Co. **Common**
(P. W. Brooks & Co.) 200,000 shares
Interworld Film Distributors, Inc. **Common**
(General Securities Co., Inc. and S. Kasdan & Co., Inc.) \$425,000
Tabach Industries, Inc. **Common**
(Costello, Russotto & Co.) \$250,000

October 30 (Tuesday)

Southern California Edison Co. **Bonds**
(Bids 8:30 a.m. PST) \$50,000,000

November 1 (Thursday)

Columbia Gas System, Inc. **Debentures**
(Bids to be received) \$20,000,000

November 7 (Wednesday)

Blue Magic Co. of Ohio, Inc. **Common**
(Hallowell, Sulzberger, Jenks, Kirkland & Co.) \$400,000
Georgia Power Co. **Bonds**
(Bids to be received) \$23,000,000
Georgia Power Co. **Preferred**
(Bids to be received) \$7,000,000
Kaiser-Nelson Corp. **Common**
(Robert L. Ferman & Co., Inc.) 140,000 shares

November 14 (Wednesday)

Jersey Central Power & Light Co. **Bonds**
(Bids to be received) \$11,000,000
Louisville & Nashville RR. **Bonds**
(Bids to be received) \$25,000,000

November 19 (Monday)

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

November 26 (Monday)

Pacific Power & Light Co. **Bonds**
(Bids to be received) \$32,000,000

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

Continued from page 27

Florida Bancgrowth, Inc.

March 10, 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. Note This offering was postponed.

Florida Jai Alai, Inc.

June 28, 1962 filed 400,000 common. Price—\$5. Business—Operation of Jai Alai games and pari-mutuel betting. Proceeds—For rent, purchase of leased quarters, building improvements, working capital. Office—Fern Park, Fla. Underwriter—To be named.

Floesal Corp.

May 10, 1962 filed 169,420 common to be offered for subscription by stockholders. Price—By amendment (max. \$2). Business—Company owns and licenses carton pouring spout patents and die patents. Proceeds—For debt repayment and other corporate purposes. Office—100 W. 10th St., Wilmington, Del. Underwriter—None.

Food & Drug Research Laboratories, Inc.

May 24, 1962 filed 107,500 common, of which 100,000 are to be offered by company and 7,500 by stockholders. Price—By amendment (max. \$5). Business—Chemical and biological research and testing for the food, drug, cosmetics, chemical and related industries. Proceeds—For expansion, equipment and debt repayment. Address—Maurice Ave. at 58th St., Maspeth, N. Y. Underwriters—Maltz, Greenwald & Co. and Rittmaster, Voisin & Co., N. Y.

Forst (Alex) & Sons, Inc.

March 23, 1962 filed 100,000 common. Price—By amendment (max. \$15). Business—Wholesale distribution of toys and games. Proceeds—For selling stockholders. Office—2885 Jerome Ave., Bronx, N. Y. Underwriter—McDonnell & Co., N. Y. Offering—Temporarily postponed.

Four Star Sportswear, Inc.

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 Leather Goods Corp.

June 29, 1962 filed 75,000 common and 75,000 five-year warrants to be offered in units consisting of one share and one warrant. Price—\$4.75 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. Offering—Indefinitely postponed.

Gateway Sporting Goods Co.

Aug. 20, 1962 filed \$2,000,000 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. Offering—Imminent.

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 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—S. C. Burns & Co., Inc., New York.

Gillfillan Corp.

April 4, 1962 filed 254,000 common. Price—By amendment (max. \$18). Business—Development and production of radar and other specialized electronic systems. Proceeds—For selling stockholders. Office—1815 Venice Blvd., Los Angeles. Underwriter—Blyth & Co., Inc., Los Angeles.

Glasco Pacific, Inc.

July 12, 1962 filed 250,000 class A and 250,000 common shares to be offered in units of one class A and one common share. Price—\$5.05 per unit. Business—Company plans to manufacture flat glass mirrors and sliding wardrobe mirror doors and related products. Proceeds—For equipment, inventory and working capital. Office—1299 N. First Street, San Jose, Calif. Underwriter—Burr, Wilson & Co., Inc., San Francisco.

Glen Ellen Corp.

Sept. 6, 1962 filed \$600,000 of 6% subord. income debentures due Jan. 1, 1983 and 24,000 common shares to be offered in units of one \$1,000 debenture and 40 common shares. Price—\$1,500 per unit. Business—Company plans to develop and operate a ski and recreational resort at Fayston, Vt. Proceeds—For construction. Address—Box 111, Waitsfield, Vt. Underwriter—None.

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 stationary 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 Oct.

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.

Gourmet Food Products, Inc.

May 25, 1962 filed 28,113 common. Price—\$3.50. Business—Growing, purchasing, distributing and selling whole potatoes and processing and selling of prepared potato products. Proceeds—For the selling stockholders. Office—915 Southeast 10th Ave., Portland, Ore. Underwriter—To be named.

Grand Bahama Development Co., Ltd.

Jan. 23, 1962 filed 250,000 common. Price—By amendment. Business—Sale and development of land on Grand Bahama Island for residential and resort purposes. Proceeds—For general corporate purposes. Office—250 Park Ave., N. Y. Underwriter—Allen & Co., N. Y.

Great Continental Real Estate Investment Trust

Aug. 3, 1961 filed 300,000 shares of beneficial interest. Price—\$10. Business—Real estate. Proceeds—For investment. Office—530 St. Paul Place, Baltimore. Underwriter—To be named. Note—This firm formerly was known as Continental Real Estate Investment Trust.

Great Eastern Insurance Co.

April 13, 1962 filed 381,600 common. Price—By amendment (max. \$5). Business—Company plans to write certain types of fire and casualty insurance. Proceeds—For general corporate purposes. Office—116 John St., N. Y. Underwriters—Emanuel, Deetjen & Co., and Zuckerman, Smith & Co., N. Y.

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.

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. (10/8-11)

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 collection systems. Proceeds—For debt repayment, expansion and working capital. Office—2738 Malinda Blvd., Jacksonville, Fla. Underwriter—Pierce, Carrierson, Wulbern, Inc., Jacksonville.

Hallandale Rock & Sand Co. (10/8-11)

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.

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.

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.

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.

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. (10/23)

June 7, 1962 filed 125,000 common. Price—By amendment (max. \$5). Business—Operation of discount stores. Proceeds—For inventory, expansion, debt repayment and working capital. Office—6400 MacCorkle Ave., S. W., St. Albans, W. Va. Underwriter—Willard Securities, Inc., N. Y.

Hek Manufacturing Co., Inc.

Aug. 7, 1962 ("Reg. A") 75,000 common, of which 69,000 shares are to be offered for the account of the company and 6,000 shares for the underwriter. Price—\$2. Business—Manufacture of dental equipment. Proceeds—For debt repayment, advertising, research and development and working capital. Office—2176 Palou, San Francisco. Underwriter—L. H. Wright Co., Inc., N. Y.

Helix Land Co., Inc.

April 27, 1962 filed 586,000 capital shares. Price—By amendment (max. \$5). Business—General real estate. Proceeds—For general corporate purposes. Office—4265 Summit Dr., La Mesa, Calif. Underwriter—None.

Herlin & Co., Inc.

May 29, 1962 filed 100,000 common, of which 80,000 are to be offered by company and 20,000 by stockholders. Price—By amendment (max. \$12.50). Business—Sale of wrist watches to holders of food chain, cash register tapes. Proceeds—For working capital. Office—2046 Bell Ave., St. Louis. Underwriter—Newhard, Cook & Co., St. Louis.

Hickory Industries, Inc.

Aug. 31, 1961 ("Reg. A") 40,000 common. Price—\$5. Business—The manufacture of barbecue machines and allied equipment. Proceeds—For equipment, inventory,

sales promotion, expansion and working capital. **Office**—10-20 47th Rd., Long Island City, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., N. Y. **Offering**—Indefinite.

Mill 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 150,000 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. (9/25)

March 29, 1962 filed 150,000 common. **Price**—By amendment (max. \$17). **Business**—A dispensing optician and a manufacturer and distributor of optical equipment. **Proceeds**—For selling stockholders. **Office**—137 N. Wabash Ave., Chicago. **Underwriter**—Hornblower & Weeks, Chicago.

Hunsaker Corp.

March 30, 1962 filed \$1,600,000 of convertible subordinated debentures due 1977 and 250,000 common shares. **Price**—By amendment (max. \$6 per common share). **Business**—Construction of homes and apartments on land which company has acquired in Southern Calif. **Proceeds**—For debt repayment and other corporate purposes. **Office**—15855 Edna Pl., Irwindale, Calif. **Underwriter**—Bateman, Eichler & Co., Los Angeles.

Hydro-Swarf, Inc.

March 30, 1962 filed 97,000 common, of which 80,000 will be sold by company and 17,000 by certain stockholders. **Price**—\$5. **Business**—Manufacture, assembly and sale of aircraft and missile components on a sub-contract basis. **Proceeds**—For debt repayment and working capital. **Office**—7050 Valley View St., Buena Park, Calif. **Underwriter**—Raymond Moore & Co., Los Angeles.

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.

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.

Indian Trail Ranch, Inc.

Aug. 31, 1962 filed 54,238 common to be offered for subscription by stockholders on the basis of one new share for each four shares held. **Price**—\$15. **Business**—Ownership of real estate, leases principally for farming and grazing. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—Southern Blvd., West Palm Beach, Fla. **Underwriter**—None.

Industry Capital Corp.

Dec. 28, 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. Allen & Co., Chicago. **Note**—This registration will be withdrawn.

Instromech Industries, Inc.

March 30, 1962 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—A contract manufacturer of precision products. **Proceeds**—For acquisition of land and building, equipment, inventory and other corporate purposes. **Office**—4 Broadway Plaza, Huntington Station, N. Y. **Underwriter**—Price Investing Co., N. Y. **Offering**—Expected in October.

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, electro-mechanical and electronic equipment for government agencies and the military. **Proceeds**—For equipment, debt repayment and working capital. **Office**—Engineer's Hill, Plainview, L. I., N. Y. **Underwriter**—International Services Corp., Clifton, N. J.

International 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., New York. **Note**—This letter was withdrawn.

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 films, and working capital. **Office**—1776 B'way, N. Y. **Underwriters**—General Securities Co., Inc., and S. Kasan & Co., Inc., N. Y.

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.

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. **Offering**—Expected in mid-October.

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 5¼% 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.

Jaap Penraat Associates, Inc.

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. (10/15-19)

March 13, 1962 filed \$750,000 convertible subordinated debentures due 1977; also 120,000 class A common, of which 66,666 shares are to be offered by the company and 53,334 by stockholders. **Price**—By amendment (max. \$12.50 for common). **Business**—Operation of a chain of retail department stores. **Proceeds**—For debt repayment and working capital. **Office**—29 N. W. 10th St., Miami, Fla. **Underwriter**—Clayton Securities Corp., Boston.

Jamaica Public Service Ltd.

March 30, 1962 filed 215,000 common, of which 100,000 shares are to be offered by company and 115,000 shares by stockholders. **Price**—By amendment (max. \$25). **Business**—A holding company for a Jamaican Electric utility. **Proceeds**—For acquisition of additional stock in subsidiary. **Office**—507 Place D'Armes, Montreal, Canada. **Underwriters**—Stone & Webster Securities Corp. and Greenshields & Co., Inc., N. Y. **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. **Offering**—Expected in mid-October.

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. **Offering**—Indefinitely postponed.

Jetronic Industries, Inc.

Sept. 7, 1962 filed \$375,000 of 6½% subord. conv. debentures due 1972. **Price**—At par. **Business**—Design, development and manufacture of electronic equipment. **Proceeds**—For debt repayment and working capital. **Office**—Main & Cotton Sts., Philadelphia. **Underwriter**—Weil & Co., Washington, D. C.

Kaiser-Nelson Corp. (11/7)

March 29, 1962 filed 140,000 common, of which 70,000 are to be offered by company and 70,000 by stockholders. **Price**—By amendment (max. \$10). **Business**—Reclamation of metallics from steel slag; mining of sand and gravel; and dismantling and salvage of industrial buildings. **Proceeds**—For new plants, debt repayment and working capital. **Office**—6272 Canal Rd., Cleveland. **Underwriter**—Robert L. Ferman & Co., Inc., Miami, Fla.

Kaltman (D.) & Co., Inc.

June 28, 1962 filed \$1,650,000 6% conv. subord. debens. due 1977 being offered for subscription by stockholders on the basis of \$100 of debentures for each 100 shares held of record Sept. 18, with rights to expire Oct. 15, 1962. **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. Franklinton Rd., Baltimore. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C. **Offering**—Indefinitely postponed.

Keene Packaging Associates

April 2, 1962 filed 165,000 common, of which 100,000 are to be offered by company and 65,000 by stockholders. **Price**—\$4. **Business**—Design and manufacture of semi-rigid vinyl plastic cases and containers for packaging. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—947 Newark Ave., Elizabeth, N. J. **Underwriter**—Hardy & Co., N. Y.

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**—Supplee, 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

Continued on page 30

Continued from page 29

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.

Kornhandler (Lou), Inc.

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, Russo & Co., Beverly Hills, Calif. Offering—Imminent.

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. Note—This letter will be withdrawn.

Lady Baltimore Foods, Inc. (9/27-28)

Aug. 23, 1962 ("Reg. A") 75,000 class A common. Price—\$4. Business—Wholesale distribution of groceries and the manufacture of French dressing and barbecue sauce. Proceeds—For debt repayment, new products and expansion. Office—35 Southwest Blvd., Kansas City, Kan. Underwriter—Blackford & Co., Inc., Kansas City, Mo.

Laminetics Inc. (10/8-12)

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.

Larsen Co. (9/25)

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.

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 was 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. Offering—Temporarily postponed.

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.

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., New York. Offering—Imminent.

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. (10/22-26)

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.

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 and 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. Underwriters—J. R. Williston & Beane and Doff & 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. (9/24-28)

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.

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—To be named.

Magnetics Research Co. Inc.

April 30, 1962 filed 100,000 common. Price—\$3. Business—Design and marketing of magnetic memory units. Company also plans to market transistor logic units and subsystems for use in computers, business machines and data handling systems. Proceeds—Expansion of sales and engineering, new product development and equipment. Office—179 Westmoreland Ave., White Plains, N. Y. Underwriter—T. W. Lewis & Co., Inc., N. Y. Note—This registration was withdrawn.

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

Management Investment Corp.

Aug. 29, 1962 filed 2,000 common (with attached warrants). Price—\$500. Business—Company plans to furnish equity capital to firms in the atomic, space and missile fields, and provide advisory and management counseling services on a fee basis. Proceeds—For repayment of loans, and general corporate purposes. Office—130 Fulton Federal Bldg., Atlanta. Underwriter—None.

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.

Manna Real Estate Investment Trust

Aug. 30, 1962 filed 460,000 shares of beneficial interest. Price—\$11. Business—A real estate investment trust. Proceeds—For investment. Office—1500 Massachusetts Ave., N. W., Washington, D. C. Underwriter—Manna Financial Planning Corp. (same address).

Maremont Corp.

Sept. 10, 1962 filed 120,000 common. Price—By amendment (Max. \$50). Business—Manufacture of automotive replacement parts. Proceeds—To repay bank loans. Office—168 N. Michigan Ave., Chicago. Underwriters—Kuhn, Loeb & Co., Inc., N. Y., and Straus, Blosser & McDowell, Chicago.

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.

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. 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.

Maust Coal & Coke Corp. (9/24-28)

Aug. 30, 1962 filed \$5,000,000 of s. f. debentures due 1977; also 250,000 common to be sold by a stockholder. Price—By amendment (max. \$14 for stock). Business—Mining and processing of bituminous coal. Proceeds—For equipment, construction, debt repayment and other corporate purposes. Office—530 Fifth Ave., N. Y. Underwriter—Eastman Dillon, Union Securities & Co., N. Y.

McGrath (John W.) Corp. (10/8-11)

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., New York.

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—To be named. Offering—Temporarily postponed.

Met Food Corp. (10/24-28)

March 30, 1962 filed \$1,500,000 of convertible subordinated debentures due Sept. 1, 1977. Price—By amendment. 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.

Mid-America Minerals, Inc.

Sept. 5, 1962 filed 15,000 shares of 6% conv. preferred (\$100 par) to be offered initially to common stockholders and then to the public. Price—At par. Business—Production of oil and natural gas. Proceeds—To redeem outstanding 7% preferred, and for working capital. Office—14 North Robinson, Oklahoma City. Underwriter—None. Note—This registration was withdrawn.

Midwest Technical Development Corp.

Feb. 26, 1962 filed 561,500 common to be offered for subscription by stockholders on the basis of one share for each two shares held. Price—By amendment (max. \$7). Business—A closed-end management investment company. Proceeds—For general corporate purposes. Office—2615 First National Bank Bldg., Minneapolis. Underwriter—None.

Midwestern Corp.

Aug. 23, 1962 filed 180,000 common and 15-year warrants to purchase 36,000 common to be offered in units consisting of one share and one-fifth warrant. Price—\$12 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.

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 January 1963.

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. Offering—Temporarily postponed.

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 Blank Book Co. (10/1)

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.

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.

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—Droure, Lampert & Co., Inc., N. Y.

National Union Life Insurance Co. of Pittsburgh

Sept. 10, 1962 filed 100,000 capital shares, to be offered for subscription by stockholders of the company's parent, National Union Fire Insurance Co. of Pittsburgh, on the basis of one share for each 8 held of record Oct. 8, 1962. Price—\$15. Business—Company writes life and allied classes of insurance. Proceeds—For general corporate purposes. Office—139 University Place, Pittsburgh. Underwriter—None.

Natural Gas & Oil Producing Co.

Sept. 7, 1962 filed 180,000 class A common. Price—\$5. Business—Production of natural gas and oil. Proceeds—For drilling expenses, working capital and other corporate purposes. Office—Tekoil Bldg., Oklahoma City. Underwriter—Peter Morgan & Co., N. Y.

New Campbell Island Mines Ltd.

Oct. 13, 1961 filed 475,000 common, of which 400,000 are to be offered by the company and 75,000 by a stockholder. Price—50c. Business—Exploration, development and mining. Proceeds—General corporate purposes. Office—90 Industry St., Toronto, Canada. Underwriter—A. C. MacPherson & Co., Toronto.

New York Testing Laboratories, Inc.

Jan. 29, 1962 filed 50,000 common. Price—\$5. Business—Analyzing and testing of electronic, chemical and other materials. Proceeds—For plant relocation, equipment, and working capital. Office—47 West St., N. Y. Underwriter—Robbins, Clark & Co., Inc., N. Y.

Norda Essential Oil & Chemical Co., Inc.

March 20, 1962 filed 200,000 class A shares. Price—By amendment (max. \$15). Business—Manufacture, processing and distribution of natural and synthetic essential oils, flavor, essences, etc., to food and drug industries. Proceeds—For debt repayment, working capital and other corporate purposes. Office—601 W. 26th St., N. Y. Underwriter—S. D. Fuller & Co., N. Y. Offering—Expected in late October.

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.

North Atlantic Life Insurance Co. of America

Aug. 31, 1962 filed 600,000 common to be offered for subscription by stockholders on the basis of two new shares for each common share held of record Aug. 27, 1962. Price—\$3.50. Business—Writing of life, accident

and health insurance. Proceeds—For capital funds. Office—163 Mineola Blvd., Mineola, L. I., N. Y. Underwriter—None.

Northeastern Plastics, Inc. (9/24)

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.

Optec, Inc. (11/19-23)

Dec. 28, 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. (10/1-5)

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—Norton, Fox & Co., Inc., N. Y.

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.

Pak-Well Paper Industries, Inc. (10/22-26)

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. Offering—Imminent.

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.

Continued on page 32

Continued from page 31

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).

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.

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. (10/1-5)

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.

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.

Polequity Corp.

Aug. 29, 1962 ("Reg. A") 60,000 common. Price—\$5. Business—Company through its subsidiaries engages in the sale of life, accident and health, and group and disability benefits insurance; trading in over-the-counter market; underwriting of new security issues and sale of mutual funds. Proceeds—For expansion, advertising, and working capital. Office—150 Broadway, N. Y. Underwriter—J. B. Coburn Associates, Inc., N. Y.

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.

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. Offering—Expected in October. Note—This stock will not be offered for sale in New York State.

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.

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.

Publishers Co., Inc.

Aug. 29, 1962 filed \$3,500,000 of 6% subord conv. debentures due 1977 to be offered by the company and 25,000 outstanding common shares to be sold by stockholders. Price—For debentures, par; for stock—by amendment (max. \$10). Business—Book publishing. Proceeds—Company will use its proceeds for the purchase of two printing firms; to redeem outstanding 6% notes; for

working capital, and other corporate purposes. Office—1106 Connecticut Ave., 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.

R. E. D. M. Corp. (10/1-5)

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., New York. Note—This letter was withdrawn.

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.

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.

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 refilled.

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 ("Reg. A") 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. Note—This letter was withdrawn.

Ridgway (L. L.) Enterprises, Inc. (10/8-12)

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. (9/25-26)

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.

Rimak Electronics, Inc. (9/24-28)

Aug. 15, 1962 ("Reg. A") 300,000 of 6% subord. convertible notes. Price—\$5,000 per note. Business—A con-

tract 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.

Roadcraft Corp.

Dec. 26, 1961 filed 400,000 common. Price—By amendment. Business—Design, manufacture and sale of mobile homes and office trailers. Proceeds—For general corporate purposes. Office—139 W. Walnut Ave., Gardena, Calif. Underwriter—Vickers, MacPherson & Warwick, Inc., New York. Offering—Temporarily postponed.

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—19 Charles St., Floral Park, N. Y. Underwriter—R. P. Raymond & Co., Inc., 26 Broadway, N. Y. Offering—Indefinitely postponed.

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 Diego Gas & Electric Co. (9/20)

Aug. 29, 1962 filed 500,000 common to be offered for subscription by stockholders on the basis of one new share for each nine held of record Sept. 20. Price—By amendment. Proceeds—For repayment of bank loans, and construction. Office—861 Sixth Ave., San Diego. Underwriter—Blyth & Co., Inc., N. Y.

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.

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.

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. (10/1-5)

Jan. 26, 1962 filed 200,000 common. Price—By amendment. Business—Manufacture of aluminum sliding windows and doors. Proceeds—For equipment, moving ex-

penses 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 Life Insurance Co.

Sept. 10, 1962 filed 250,000 capital shares. **Price**—\$5. **Business**—Company plans to sell life and disability insurance. **Proceeds**—For organizational expenses and other corporate purposes. **Office**—225 Bush St., San Francisco, Calif. **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.

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.

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.

Smith-Corona Merchant, Inc. (10/5)

Aug. 31, 1962 filed 240,219 convertible preferred shares (par \$50) to be offered for subscription by common stockholders on the basis of one preferred share for each 8 common shares held of record Oct. 5, with rights to expire Oct. 22. **Price**—By amendment. **Business**—Manufacture and distribution of office equipment. **Proceeds**—For debt repayment, a new plant and equipment, product development and other corporate purposes. **Office**—410 Park Ave., New York. **Underwriter**—First Boston Corp., New York.

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.

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.

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**—Postponed.

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.

Steiber Cycle Corp. (9/24)

Jan. 5, 1962 filed 100,000 common. **Price**—\$3.25. **Business**—Manufacture of bicycles, tricycles and toy automobiles. **Proceeds**—Repayment of loans, plant expansion and new product development. **Office**—744 Berrian St., Brooklyn, N. Y. **Underwriter**—Lloyd Securities, Inc., New York.

Sterling Copper Corp.

Aug. 2, 1962 filed 850,000 common. **Price**—\$1. **Business**—Company plans to operate a non-ferrous rod and tube mill. **Proceeds**—For plant and equipment, working capital and other corporate purposes. **Office**—300 Horn Rd., Pinconning, Mich. **Underwriter**—None.

Stratford Financial Corp.

March 29, 1962 filed 315,000 class A shares of which 218,000 are to be offered by the company and 97,000 by the stockholders. **Price**—\$6. **Business**—Commercial finance company. **Proceeds**—For debt repayment. **Office**—95 Madison Ave., N. Y. **Underwriter**—Mortimer B. Burnside & Co., Inc., N. Y.

Stratton Realty & Construction Fund, Inc.

March 20, 1962 filed 500,000 common. **Price**—\$20. **Business**—A real estate investment company. **Proceeds**—For investment. **Office**—50 E. 40th St., N. Y. **Underwriter**—To be named.

Suburban Water Service Co. (9/24-28)

June 29, 1962 filed 30,000 preferred or 30,000 common shares. **Price**—By amendment (max. \$17). **Business**—A holding company for water supply firms. **Proceeds**—For advances to subsidiaries. **Office**—Clinton, Conn. **Underwriter**—Putnam & Co., Hartford. **Note**—This registration has become effective.

Tabach Industries, Inc. (10/29-31)

March 29, 1962 ("Reg. A") 125,000 common. **Price**—\$2. **Business**—Manufacture and sale of women's wear. **Proceeds**—For debt repayment, leasehold improvements and expansion. **Office**—217 E. Eight St., Los Angeles, Calif. **Underwriter**—Costello, Russotto & Co., 9301 Wilshire Blvd., Beverly Hills, Calif.

Tactair Fluid Controls, Corp.

March 29, 1962 filed 90,000 common. **Price**—By amendment (max. \$7.50). **Business**—Manufacture of fluid control equipment used in missiles, helicopters and aircraft. **Proceeds**—For selling stockholders. **Address**—Bridgeport, Conn. **Underwriters**—Stroud & Co., Inc. and Pennington, Colket & Co., Philadelphia.

Taylor Publishing Co.

Dec. 21, 1961 filed 152,000 common. **Price**—By amendment. **Business**—Production and distribution of school year-books and commercial printing. **Proceeds**—For selling stockholders. **Office**—6320 Denton Dr., Dallas. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y., and Dallas Rupe & Son, Inc., Dallas, Tex. **Note**—This registration was withdrawn.

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.

Texas Gas Producing Co. (10/1-5)

Aug. 28, 1962 filed \$1,000,000 of 5% 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.

Texas Plastics, Inc.

July 27, 1962 filed 313,108 common. **Price**—\$3.50. **Business**—Operation of a plant producing plastic film and packaging products. **Proceeds**—For working capital. **Address**—Elsa, Texas. **Underwriter**—Crow, Brouman & Chatkin, Inc., N. Y.

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**—Vick-

ers, MacPherson & Warwick, Inc., N. Y. **Note**—This registration was 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**—Phillips, Appel & Walden, 115 Broadway, N. Y.

Tourist Industry Development Corp. Ltd.

Aug. 3, 1962 filed \$5,000,000 of 7% senior debenture stock due 1962. **Price**—At par. **Business**—Company was organized by the State of Israel to furnish financing to tourist enterprises. **Proceeds**—For general corporate purposes. **Address**—Jerusalem, Israel. **Underwriter**—American-Israel Basic Economy Corp., N. Y.

Towers Marts International, Inc.

Feb. 1, 1962 filed 550,000 capital shares. **Price**—By amendment. **Business**—Company builds and operates retail discount department stores. **Proceeds**—For expansion. **Office**—41 E. 42nd St., N. Y. **Underwriter**—W. C. Langley & Co., N. Y.

Traileurop, Inc.

Aug. 30, 1962 filed 150,000 common. **Price**—\$5. **Business**—A holding company for European firms engaged in leasing semi-trailers. **Proceeds**—For equipment, debt repayment and working capital. **Office**—99 Wall St., N. Y. **Underwriter**—Kordan & Co., Inc., N. Y.

Trans-Western Service Industries

April 2, 1962 filed 100,000 common, of which 20,000 are to be offered by company and 80,000 by stockholders. **Price**—By amendment (max. \$10). **Business**—Operation of dry cleaning and laundry plants. **Proceeds**—For debt repayment. **Office**—1167-65th St., Oakland, Calif. **Underwriter**—Granbery, Marache & Co., N. Y.

Transarizona Resources, Inc.

May 28, 1962 filed 500,000 capital shares. **Price**—\$1.50. **Business**—Exploration, development and production of the Lake Shore copper deposit near Casa Grande, Ariz. **Proceeds**—For equipment, exploration and working capital. **Office**—201 E. 4th St., Casa Grande, Ariz. **Underwriter**—None.

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.

Tujax Industries, Inc.

Mar. 23, 1962 filed 150,000 class A shares, of which 100,000 are to be offered by company and 50,000 by stockholders. **Price**—\$8. **Business**—Through its subsidiaries the company is engaged in the wholesale distribution of electrical supplies and equipment. **Proceeds**—For debt repayment and working capital. **Office**—514 E. 73rd St., N. Y. **Underwriters**—Richard Bruce & Co., Inc., and Reuben Rose & Co., Inc., N. Y.

Tull (J. M.) Metal & Supply Co., Inc.

May 17, 1962 ("Reg. A") 25,000 common. **Price**—\$12. **Business**—Wholesale distribution of ferrous and non-ferrous metals and industrial supplies. **Proceeds**—For working capital. **Office**—285 Marietta St., N. W., Atlanta. **Underwriters**—Wyatt, Neal & Waggoner, and Robinson-Humphrey Co., Inc., Atlanta.

Turbodyne Corp.

March 2, 1962 filed 127,500 common. **Price**—\$5. **Business**—Research, development and production and overhauling of gas turbine engines. **Proceeds**—For debt 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. **Note**—This letter will be withdrawn.

United Markets Inc.

March 15, 1962 filed \$400,000 of 8% conv. subord. debentures due 1972 and 20,000 common to be offered in units of one \$200 debenture and 10 shares. **Price**—\$250 per unit. **Business**—Operation of "Foodtown" supermarkets. **Proceeds**—For general corporate purposes. **Office**—531 Ferry St., Newark, N. J. **Underwriter**—Moran & Co., Newark, N. J. **Offering**—Expected in late October.

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 was withdrawn.

Continued on page 34

Continued from page 33

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.

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.

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—R. J. 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.

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.

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. (9/24)

Oct. 30, 1961 filed 90,000 common, of which 60,000 are to be offered by the company and 30,000 by a stockholder. Price—\$6.25. Business—Sells Cessna Airplanes and supplies; also repairs and services various type airplanes. Proceeds—For expansion and general corporate purposes. Office—Civic Memorial Airport, E. Alton, Ill. Underwriter—White & Co., Inc., St. Louis.

Waterman Steamship Corp.

Aug. 29, 1961 filed 1,743,000 common. Price—By amendment. Business—The carrying of liner-type cargoes. Proceeds—For the purchase of vessels, and working capital. Office—71 Saint Joseph St., Mobile, Ala. Underwriter—Shields & Co., Inc., N. Y. 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 gen-

eral corporate purposes. Office—210-07 48th Ave., Bay-side, N. Y. Underwriter—First Philadelphia Corp., N. Y.

Welsh Panel Co.

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. Offering—Imminent.

Western Lithographers, Inc.

March 30, 1962 ("Reg. A") 120,000 common. Price—\$2.50. Business—General printing and lithography. Proceeds—For equipment, debt repayment, and inventory. Office—3407 N. El Paso, Colorado Springs, Colo. Underwriter—Copley & Co., Colorado Springs, Colo.

Western Pioneer Co.

Feb. 19, 1962 filed 371,750 capital shares of which 175,000 are to be offered by the company and 196,750 by stockholders. Price—By amendment (max. \$42). Business—The making of loans secured by first liens on real estate. Proceeds—For debt repayment. Office—3243 Wilshire Blvd., Los Angeles. Underwriter—Kidder, Peabody & Co., N. Y.

Western States Real Investment Trust

Nov. 13, 1961 filed 32,000 shares of beneficial interest. Price—\$6.25. Business—A small business investment company. Proceeds—For investment. Office—403 Ursula St., Aurora, Colo. Underwriter—Westco Corp., Aurora, Colo.

Wheeler & Ryan, Inc.

July 30, 1962 filed 80,000 common. Price—\$12.50. Business—Acquisition of leases and production of oil and gas. Proceeds—For repayment of debt and other corporate purposes. Office—Thompson Bldg., Tulsa. Underwriter—R. J. Edwards, Inc., Oklahoma City.

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.

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 Street, New York. Note—This registration will be withdrawn.

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. Note—This registration is being withdrawn.

Worth Financial Corp. (9/24-28)

Mar. 27, 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.

Wyle Laboratories (9/24-28)

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.

Zayre Corp. (9/26)

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, New York.

Zero Mountain, Inc. (10/1-5)

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.

Issues Filed With SEC This Week

Americana East Inc.

Sept. 18, 1962 filed 400,000 common. Price—\$2.50. Business—Development, construction and management of industrial, commercial and residential properties. Proceeds—For construction, surveys, working capital, and other corporate purposes. Office—173 First St., Macon, Ga. Underwriter—Nusouth Growth Stock Sales Corp., 4101 Steam Mill Rd., Columbus, Ga.

Cameron Iron Works, Inc.

Sept. 14, 1962 filed 280,000 common. Price—By amendment (max. \$21.50). Business—Manufacture of equipment used in the petroleum and processing industries. Company also makes forged metal products used in the aviation, missile and atomic industries. Proceeds—For selling stockholders. Address—P. O. Box 1212, Houston, Texas. Underwriters—White, Weld & Co., Inc., and Lehman Brothers, N. Y.

Consolidated Edison Co. of New York, Inc. (10/2)

Sept. 7, 1962 filed \$75,000,000 of first and refunding mortgage bonds, series W, due Oct. 1, 1962. Proceeds—To refund a like amount of 5 1/4% first and refunding mortgage bonds due Dec. 1, 1959. Office—4 Irving Place, N. Y. Underwriters—(Competitive). Probable bidders: Morgan Stanley & Co., First Boston Corp., Halsey, Stuart & Co. Inc. (jointly). Bids—Oct. 2, 1962 (11 a.m. EDST) at the company's office.

Del Consolidated Industries, Inc.

Aug. 27, 1962 ("Reg. A") 70,000 common. Price—\$2.50. Business—Real estate, mining, oil and gas development, building and investments. Proceeds—For debt repayment, equipment and working capital. Office—100 W. 10th St., Wilmington, Del. Underwriter—None.

Fabco Enterprises, Inc.

Sept. 17, 1962 filed 83,500 common. Price—\$4.50. Business—Operation of self-service retail shoe department in discount department stores and one retail store. Proceeds—For inventory, expansion, debt repayment, and working capital. Office—4906-08 Ave. D, Brooklyn, N. Y. Underwriter—Dynamic Planning Corp., 51 Broadway, New York.

Gendamo, Inc.

Aug. 28, 1962 ("Reg. A") 110,000 common. Price—\$1. Business—Manufacture of wigs, hair pieces and cosmetics. Proceeds—For equipment, inventory and working capital. Office—8817 La Mesa Blvd., La Mesa, Calif. Underwriter—None.

Gold Eagle Mines, Inc.

Aug. 27, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Mining. Proceeds—For operational expenses. Office—225 Harmony Dr., Longview, Wash. Underwriter—None.

Nebraska Consolidated Mills Co.

Sept. 17, 1962 filed \$3,000,000 of 6 3/4% subord. s. f. debentures, series A, due 1977. Price—\$1,000. Business—Manufacture of flour, animal feed, and other consumer and agricultural products. Proceeds—For debt repayment and the financing of increased inventories and accounts receivable. Office—500 Kiewit Plaza, Omaha. Underwriter—First Nebraska Securities Corp., Lincoln.

Realty Associated Investors

Sept. 10, 1962 ("Reg. A") 28,132 shares of beneficial interest. Price—\$5. Business—A real estate investment trust. Proceeds—For general corporate purposes. Office—445 E. Fourth St., Salt Lake City. Underwriter—None.

Silica Inc.

Sept. 7, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Company plans to acquire and develop the Jean Silica Sand Deposit near Las Vegas. Proceeds—For equipment and development. Office—244 Earl St., Las Vegas, Nev. Underwriter—None.

T-A Development Co.

Sept. 12, 1962 filed 2,000 common. Price—By amendment (max. \$1,000). Business—Company plans to acquire, develop, and improve industrial real properties, primarily in Los Angeles County. Proceeds—For general corporate purposes. Office—9601 Wilshire Blvd., Beverly Hills, Calif. Underwriter—None.

U. S. Cold Storage of Hawaii, Inc.

Sept. 14, 1962 filed 30,000 capital shares, of which 20,000 are to be offered by company and 10,000 by present stockholders. Price—\$10. Business—Company plans to construct and operate cold storage facilities in Hawaii. Proceeds—For construction, and working capital. Office—3140 Ualena St., Honolulu. Underwriter—None.

Effective Registrations

The following registration statements were declared effective this week by the SEC. Offering details, where available, will be carried in the Monday issue of the "Chronicle."

Arizona Public Service Co.

676,220 common shares offered at \$28.75 per share by First Boston Corp., and Blyth & Co., Inc., New York.

Century Real Estate Investment Trust

200,000 shares of beneficial interest offered at \$10 per share by DeWitt, Herndon & Co., Tulsa.

Cincinnati Enquirer Building Associates

\$1,275,000 additional limited partnership interests offered at \$5,000 per unit by Fifth Avenue Associates Ltd., New York.

Duro Pen Co., Inc.

90,000 common shares offered at \$3 per share by Frank Karasik & Co., Inc., New York.

Electronic Wholesalers, Inc.

100,000 common shares offered at \$12.50 per share by Bear, Stearns & Co., New York.

Gemco-Ware Corp.

\$500,000 of 7% convertible subordinated debentures due Nov. 15, 1972 (with attached warrants) and 100,000 common shares offered in units of \$250 of debentures and 50 shares at \$500 per unit by Richard Bruce & Co., Inc., New York.

Kaltman (D.) & Co., Inc.

\$1,650,000 of 6% convertible subordinated debentures due 1977 being offered for subscription by stockholders at par on the basis of \$100 of debentures for each 100 shares held of record Sept. 18, with rights to expire Oct. 15, 1962. No underwriting is involved.

Miracle Mart, Inc.

180,000 common shares offered at \$10 per share by McDonnell & Co., New York.

Nippon Telegraph & Telephone Public Corp.

\$18,500,000 of 6% guaranteed dollar bonds due Sept. 15, 1977 offered at 96% by Dillon, Read & Co., Inc.; First Boston Corp., and Smith, Barney & Co., Inc., New York.

Oceana International, Inc.

150,000 common shares offered at \$5 per share by Standard Securities Corp., New York.

Sawyer's Inc.

\$1,250,000 of 6% convertible subordinated debentures due Sept. 15, 1977, and 100,000 capital shares offered at 100% and \$6.25 per share, respectively, by Straus, Blosser & McDowell, Chicago, and Dempsey-Tegeler & Co., Inc., St. Louis.

Saxon Paper Corp.

150,000 shares of 6% convertible preferred stock offered at \$10 per share by Bear, Stearns & Co., New York.

Shin Mitsubishi Heavy Industries

\$10,000,000 of 6½% convertible debentures due Sept. 30, 1977 offered at par by First Boston Corp., and Nomura Securities Co., Ltd., New York.

Washington Trotting Association, Inc.

\$2,300,000 of 6½% subordinated sinking fund debentures due 1977 and 276,000 common shares at \$175 per unit of one \$100 debenture and 12 shares at \$175 per unit by Moore, Leonard & Lynch, Pittsburgh, and Stroud & Co., Inc., Philadelphia.

ATTENTION UNDERWRITERS!

Do you have an issue you're planning to register? Our Corporation News Department would like to know about it so that we can prepare an item similar to those you'll find hereunder.

Would you telephone us at REctor 2-9570 or write us at 25 Park Place, New York 7, N. Y.

Prospective Offerings

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.

★ American Telephone & Telegraph Co. (10/23)

Sept. 19, 1962 it was reported that directors had authorized the sale of \$250,000,000 of debentures due Oct. 1, 1996. Proceeds—For improvement and expansion of telephone services. Office—195 Broadway, New York. Underwriters—(Competitive). Probable bidders: Morgan Stanley & Co.; First Boston Corp.; Halsey, Stuart & Co. Inc. (jointly). Bids—Expected Oct. 23.

★ Be-Mac Transport Co., Inc. (10/2)

Sept. 17, 1962 it was reported that the ICC had authorized the sale of 50,000 outstanding \$1 par common shares. Price—By amendment. Business—A motor carrier of general commodities providing direct service to over 600 municipalities in six mid-western states. Proceeds—

For selling stockholders. Office—7400 North Broadway, St. Louis. Underwriter—Edward D. Jones & Co., St. Louis.

Belock Instrument Corp.

Sept. 4, 1962 it was reported that the company plans to raise an additional \$1,000,000 by sale of securities. Business—Company produces various defense items, such as bomb-sights, gun directors, missile system components, etc. Proceeds—For working capital and other corporate purposes. Office—112-03 Fourteenth Ave., College Point, N. Y. Underwriter—Carl M. Loeb, Rhoades & Co., N. Y.

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. (11/1)

Aug. 1, 1962 it was reported that the company plans to sell \$20,000,000 of debentures or bonds in November. Office—120 E. 41st St., N. Y. Underwriters—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-White, Weld & Co. (jointly); Morgan Stanley & Co.-First Boston Corp. (jointly); Halsey, Stuart & Co. Inc. Bids—Expected Nov. 1.

Consumers Power Co.

Sept. 4, 1962, Robert P. Briggs, Executive Vice-President, announced that the company had postponed until mid-1963 its plan to sell additional securities because of "larger than anticipated internal generation of cash, substantial refunds from natural gas suppliers and the increased use of bank credit." Earlier, the company reported that it expected to sell about \$40,000,000 of securities, probably bonds, in the fourth quarter. Office—212 West Michigan Ave., Jackson, Mich. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.-Shields & Co. (jointly); Harriman Ripley & Co. Inc.-First Boston Corp. (jointly); Morgan Stanley & Co.

Delaware Power & Light Co.

March 9, 1962 it was reported that the company has postponed until early Spring of 1963 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Dec. 31, 1961, the sale would involve about 418,536 shares. Proceeds—For construction. Office—600 Market St., Wilmington, Del. Underwriters—(Competitive). Probable bidders: Carl M. Loeb, Rhoades & Co.; W. C. Langley & Co.-Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co.-Shields & Co. (jointly); Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Florida Power Co.

March 19, 1962 it was reported that this company plans to offer stockholders the right to subscribe for about 457,265 additional common shares on a 1-for-20 basis. Office—101 Fifth St., South, St. Petersburg, Fla. Underwriters—To be named. The last rights offering of common on May 4, 1959 was underwritten by Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y. Offering—Expected in October, 1962.

Food Fair Properties, Inc.

May 11, 1962 stockholders authorized the company to issue 756,000 shares of a new convertible preferred stock which will be offered to stockholders through subscription rights on a 1-for-10 basis. Price—By amendment. Business—Development and operation of shopping centers. Proceeds—To retire outstanding 6% preferred stock and purchase up to \$6,000,000 convertible debentures of Major Realty Corp., an affiliate. Office—223 East Alleghany Ave., Philadelphia. Underwriter—To be named. The last rights offering in December 1957 was underwritten by Eastman Dillon, Union Securities & Co., New York.

Franklin National Bank of Long Island

Sept. 11, 1962 it was reported that this bank had applied to the U. S. Comptroller of the Currency for permission to sell publicly \$15,000,000 of preferred stock. Since banks are exempted from registration, the offering will not have to be filed with the SEC. Office—199 Second St., Mineola, N. Y. Underwriter—Eastman Dillon, Union Securities & Co., N. Y.

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., At-

lanta, Ga. Underwriters—(Competitive). Probable bidders: Blyth & Co., Inc.; First Boston Corp.; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.-Equitable Securities Corp. (jointly); Lehman Brothers. Bids—Expected Nov. 7. Registration—Scheduled for Oct. 5.

Gulf, Mobile & Ohio RR. (9/20)

Sept. 11, 1962 it was reported that this road plans to sell \$4,140,000 of one-half to 15-year equipment trust certificates. Office—104 St. Francis St., Mobile, Ala. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; Salomon Brothers & Hutzler. Bids—Expected Sept. 20 (12 noon CDST) at 140 So. Dearborn St., Chicago.

Highway Trailer Industries, Inc.

Sept. 10, 1962 it was reported that this company plans to raise some \$2,500,000 by a rights offering to stockholders. Authorized stock now consists of 2,000,000 \$1.25 par common shares of which 714,086 shares are outstanding. Business—Manufacture of truck trailers, cargo containers, telephone and power line construction equipment, etc. Proceeds—To help form a new finance company subsidiary. Office—250 Park Ave., N. Y. Underwriters—To be named. The last financing by the company was underwritten by Allen & Co., and Van Alstyne, Noel & Co., New York City.

Illinois Power Co.

Feb. 23, 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. (11/14)

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. 14, 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. (11/14)

Aug. 28, 1962 it was reported that this road is considering the issuance of \$25,000,000 of collateral trust bonds due 1987, 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. Bids—Expected Nov. 14.

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

Continued on page 36

Continued from page 35

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.

Northern Illinois Gas Co.

Feb. 28, 1962 it was reported that the company expects to raise \$125,000,000 to finance its 1962-66 construction program. About \$25,000,000 of this, in the form of a debt issue, will be sold in the second half of 1962. **Office**—615 Eastern Ave., Bellwood, Ill. **Underwriters**—To be named. The last sale of bonds on July 14, 1960, was handled by First Boston Corp. Other bidders were: Halsey, Stuart & Co., Inc.; Blyth & Co., Inc.-Equitable Securities Corp. (jointly); Glore, Forgan & Co.

Northern Natural Gas Co.

Feb. 28, 1962 it was reported that the company's 1962 expansion program will require about \$40,000,000 of external financing to be obtained entirely from long or short term borrowing. **Office**—2223 Dodge St., Omaha, Neb. **Underwriter**—To be named. The last sale of debentures on Nov. 16, 1960 was handled on a negotiated basis by Blyth & Co., Inc., N. Y.

Oklahoma Gas & Electric Co.

Aug. 1, 1962 it was reported that this company plans to sell \$12,000,000 of 30-year first mortgage bonds, in the

second quarter of 1963. **Office**—321 No. Harvey St., Oklahoma City. **Underwriters**—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-White, Weld & Co. (jointly); Halsey, Stuart & Co. Inc.; Lehman Brothers-Blyth & Co. Inc. (jointly); First Boston Corp.; Harriman Ripley & Co., Inc.-Eastman Dillon, Union Securities & Co. (jointly); Equitable Securities Corp.

Pacific Power & Light Co. (11/26)

Sept. 10, 1962 it was reported that this company plans to sell \$32,000,000 of first and refunding mortgage bonds due 1992. **Proceeds**—To refund \$12,000,000 outstanding 5% bonds due Jan. 1, 1987 and \$20,000,000 of outstanding 5 3/4% bonds due Sept. 1, 1987. **Office**—920 S. W. Sixth Ave., Portland, Ore. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co.-Kidder, Peabody & Co. (jointly); Lehman Brothers-Bear Stearns & Co.-Salomon Brothers & Hutzler (jointly); Blyth & Co.-White, Weld & Co. (jointly). **Bids**—Expected Nov. 26. **Information Meeting**—Nov. 21 (2:30 p.m. EST) at 2 Rector St., New York.

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).

Russ Togs, Inc.

Sept. 5, 1962 it was reported that a registration statement will be filed shortly covering a secondary offering of about 150,000 common shares. **Business**—Company manufactures misses, junior and children's popular priced sportswear. **Office**—1372 Broadway, N. Y. **Underwriter**—Shearson, Hammill & Co., N. Y.

South Carolina Electric & Gas Co.

Aug. 1, 1962 it was reported that the company plans a rights offering to stockholders of approximately \$3,500,000 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. (10/30)

July 3, 1962 it was reported that this company plans to sell \$50,000,000 of first and partially refunding mortgage bonds, series P, due Nov. 1, 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). **Bids**—Expected Oct. 30 (8:30 a.m. PST) at company's office.

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 Pacific Co. (10/10)

Sept. 5, 1962 it was reported that the company plans to sell \$6,000,000 of 1-15 year equipment trust certificates. **Office**—165 Broadway, N. Y. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co. Inc. **Bids**—Expected Oct. 10 (12 noon EDT) at company's office.

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, Sweeney & Co., Inc., N. Y., and A. C. Allyn & Co., Chicago.

Southwest Gas Corp.

Sept. 11, 1962 it was reported that this company plans to offer stockholders the right to subscribe for about 205,000 common shares of Nevada Northern Gas Co., a subsidiary, on the basis of two Nevada shares for each nine Southwest Gas shares held. Holders of Southwest Gas convertible securities will receive proportionate subscription rights without having to convert their holdings. **Office**—2011 Las Vegas Blvd., South, Las Vegas, Nev. **Underwriter**—Eastman Dillon, Union Securities & Co., New York.

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.

Capital Spending Plans Remain Unchanged

SEC-Dept. of Commerce survey of plant-equipment expenditure plans finds that its estimated figure of \$37.2 billion for 1962, compared to actual \$34.4 billion in 1961, remains unchanged from an earlier survey of three months ago. An encouraging note is found in plans of manufacturers of durable goods to increase their 1962 outlays at a higher rate than nondurable goods firms.

Capital outlays by business are expected to continue rising through the end of the year, according to the latest survey conducted in August by the Office of Business Economics, U. S. Department of Commerce and the Securities and Exchange Commission. With actual outlays at a seasonally adjusted annual rate of \$37 billion in the second quarter, expenditures are planned at \$37 3/4 billion for the current quarter, and a record \$38 billion in the fourth quarter.

Figure Is Unchanged

The latest survey indicates that capital spending for the year 1962 by business will total \$37.2 billion, unchanged from the figure, based on the May survey, that was reported three months ago.

Both the actual second quarter expenditures of all industries in

the aggregate, and the anticipated expenditures for the third quarter, showed no change from the earlier survey. However, within industry groups there have been revision of annual totals and the timing of expenditures over the year.

Manufacturers and public utilities have revised their 1962 capital spending plans slightly downward; other major industry groups are projecting outlays at the same or higher levels than previously reported. In the nonrail transportation category, proposed expenditures for pipeline construction are significantly higher than had been reported in earlier surveys.

Year to Year Comparison

A comparison of outlays currently anticipated for 1962 with actual investment in 1961 is shown in the accompanying table.

Durable Outlays to Exceed Nondurables'

Manufacturers of durable goods are increasing their 1962 outlays at a higher rate than nondurable goods firms. Projections for the durable goods industries indicate, on the basis of seasonally adjusted figures, a steady increase throughout the year with fourth quarter outlays estimated to be 13% above the corresponding quarter of last year. Nondurable goods industries as a group indicate some leveling off in 1962, with little change from the fourth quarter of last year.

Within manufacturing, moderate downward revisions in capital spending programs for 1962 were reported by chemical and iron and steel companies. Nonelectrical machinery, textile, and motor vehicle companies reported slight upward revisions since the May survey.

Most of the nonmanufacturing

industry groups reported higher expenditures in the second quarter compared with the first quarter of 1962. Commercial and communications firms—and, to a lesser extent, electric and gas companies—expect that outlays will rise further in the second half of the year. Railroads, however, anticipate a decline in spending in the last quarter.

Among the nonmanufacturing industries, upward revisions of annual programs were reported by all groups except public utilities and railroads. Both electric and gas companies now plan slightly lower outlays in the second half of 1962 than were reported three months ago. In the nonrail transportation category, the airlines, which had heavy expenditures in the second quarter plan sharp reductions for the third and fourth quarters, but this is partially offset by new pipeline construction being undertaken in the last half of the year.

	Actual 1961	Anticipated 1962	% Change
(Billions of dollars)			
All industries	\$34.37	\$37.16	8
Manufacturing	13.68	14.57	7
Durable goods industries	6.27	6.98	11
Nondurable goods industries	7.40	7.59	3
Mining	.98	1.10	12
Railroad	.67	.83	24
Transportation other than rail	1.85	2.06	11
Public utilities	5.52	5.43	-2
Commercial and other	11.68	13.16	13

Sawyer's Inc. Securities Sold

Straus, Blosser & McDowell, Chicago, and Dempsey-Tegeler & Co., Inc., St. Louis, jointly head an underwriting group which is offering for public sale \$1,250,000 Sawyer's Inc. 6% convertible subordinated debentures, due Sept. 15, 1977 and 100,000 shares of capital stock.

The debentures, priced at par and accrued interest, are being sold for the account of the company and proceeds will be used to repay bank loans incurred to finance expansion and to augment working capital.

The capital stock offered, priced at \$6.25 per share, is being sold for the account of certain selling stockholders who will receive all of the proceeds of the sale.

Redemption prices of the debentures scale down from 106% to 100%.

Sawyer's manufactures and distributes stereo photographic products under the names "View-Master" and "Tru-View," as well as slide projectors and "Pana-Vue" slides and slide viewers. General offices and manufacturing facilities are at Progress, Ore., near Portland.

Current News in the Field

These items are supplemental to similar notices appearing elsewhere in this issue

NEW FIRMS

ATLANTA, Ga.—Investors Planning Corporation of Atlanta is engaging in a securities business from offices at 614 Pauley Place, N. E. Officers are Milton O. Berry, President; Howard M. Oppenheimer, Vice-President; and Barbara S. Berry, Secretary and Treasurer.

BROOKLYN, N. Y. — Parkway Planning Corporation is engaging in a securities business from offices at 2265 Sixty-fifth Street. Joseph P. Verdi is a principal of the firm.

CHICAGO, Ill.—Combination Investments, Inc. has been formed with offices at 737 North Michigan Avenue to engage in a securities business. Officers are Dean L. Griffith, President; John Weaver, Executive Vice-President; and Herbert M. Johnson, Secretary and Treasurer.

COLUMBUS, Ga. — NuSouth Growth Stock Sales Corporation has been formed with offices at 4101 Steam Mill Road to engage in a securities business. Officers are Myer Sherman, President; and Perry A. Tuten, Executive Vice-President, Secretary and Treas.

DOVER, Del. — Heather Agency, Inc. is conducting a securities business from offices at 552 Greenhill Road. Grafton H. Heather is President; Grafton R. Heather, Vice-President; and C. H. Heather Secretary and Treasurer.

DAYTON, Ohio — Lenz, Conover, Inc. has been formed to continue the investment business of Fred C. Yager, Inc., Gas & Electric Building. Harry E. Lenz, Jr. is a principal of the new firm.

GREENSBORO, N. C.—George H. Beall, Jr. is conducting a securities business from offices at 904 West Market Street.

HARLINGEN, Texas—Marcus H. Wilder is conducting a securities business from offices in the Metz Building under the firm name of Marcus H. Wilder & Co.

HOUSTON, Texas—Myron O. Bickel is conducting a securities business from offices in the Central National Bank Building.

JAMAICA, N. Y.—Island Planning Corp. of America has opened an office at 90-79 Sutphin Boulevard, under the management of Melvin F. Gross.

LA JOLLA, Calif.—La Jolla Management Co. is engaging in a securities business from offices at 7820 Ivanhoe Avenue. Officers are Hugh C. Watson, President; Charles A. Watson, Vice-President; R. James Watson, Treasurer, and George R. Palmer, Secretary. Hugh C. Watson and Charles A. Watson were formerly partners in Hugh C. Watson Co.

LOS ANGELES, Calif. — Saul Lerner California Co., Inc. is conducting a securities business from offices at 608 South Hill Street. Officers are Saul Lerner, President; Richard Donsky, Herbert B. Jacobson and Homer E. Miller, Vice-Presidents; and Herbert Freiman, Treasurer. All are officers of Saul Lerner Co., Inc. of New York City.

LOS ANGELES, Calif.—The firm name of Holton, Henderson & Co., 621 South Spring St., members of the Pacific Coast Stock Exchange, has been changed to R. J. Henderson & Co.

NEW YORK CITY — Dresner, Gombert & Co., Inc. has been

formed with offices at 37 Wall St., as successor to the investment business of B. J. Gombert & Co., Inc.

NEW YORK CITY—I. Jack Fisher Associates, Inc. has been formed with offices at 70 Park Terrace East, to engage in a securities business. I. Jack Fisher is President.

NEW YORK CITY—Manjira Mutual Funds, Inc. has been formed with offices at 20 East 46th Street, to engage in a securities business. Arnold Klugerman is a principal of the firm.

NEW YORK CITY—Conservative Investing Corporation has been formed with offices at 1776 Broadway, to engage in a securities business.

NEW YORK CITY—Lloyd Prober is engaging in a securities business from offices at 666 Fifth Avenue.

NEW YORK CITY—Leonard Levine is engaging in a securities business from offices at 315 West 76th Street, under the firm name of Services Planning Co.

POMPANNO BEACH, Fla.—James P. Denvir, Jr., is engaging in a securities business from offices at 2641 East Atlantic Boulevard, under the firm name of James P. Denvir and Associates.

ST. PETERSBURG, Fla.—Robert A. James Investments, Inc. is conducting a securities business from offices at 327 Third Avenue, North. Officers are Robert A. James, President, and Leonard Scharf, Secretary and Treasurer. Both were formerly officers of Jobin & James Investments.

SCOTTSDALE, Ariz.—Continental Securities Corp. has been formed with offices at 4611 North Scottsdale, to engage in a securities business. Officers are Gilbert R. Haskins, President, and Marvin Arnett, Secretary and Treasurer.

SEATTLE, Wash. — Donald H. Brazier & Co., 550 Mercer Street, is now doing business as a corporation. Elzey S. Brazier is President; Donald H. Brazier, Secretary and Treasurer; and Donald H. Brazier, Jr., Vice-President.

SHREVEPORT, La.—Towner J. Pringle is conducting a securities business from offices in the Sklar Building under the firm name of T. J. Pringle Investment Company. He was formerly local manager for Howard, Weil, Labouisse, Friedrichs and Company and prior thereto conducted his own investment business in Shreveport.

UNION, N. J.—Ben Scheingold is engaging in a securities business from offices at 1565 Walker Avenue. He was formerly with J. A. Winston & Co.

UNIONDALE, N. Y. — Suburban Investors Corporation, 560 Jerusalem Avenue, has named Max Binstein director of mutual fund sales.

WASHINGTON, D. C. — Sennett Securities Co. has been formed with offices at 1029 Vermont Ave., N. W., to engage in a securities business. Partners are Harry A. Sennett and C. B. Sennett.

WEST HARTFORD, Conn.—Armand P. Falchetti is engaging in a securities business from offices at 33 Baldwin Street under the firm name of Connecticut Investment Company.

WHITE PLAINS, N. Y.—William H. Sudderth is conducting a securities business from offices at 32 Longdale Avenue.

BRANCH OFFICES

ALBANY, N. Y.—The name of State Street Securities Corporation, a wholly-owned corporate subsidiary of William S. Morris & Co., has been changed to William S. Morris & Co., Inc.

Headquarters, formerly at 284 State Street, Albany, have been moved to 1 Chase Manhattan Plaza, New York City, location of the parent company. Both firms are municipal bond dealers.

ANNAPOLIS, Md.—Baumgartner, Downing & Co. has opened a branch office at Carvel Hall under the management of Albert W. Vittek.

BATAVIA, Ill. — Pini - Dietz & Company has opened a branch office at 10 West Wilson Street under the direction of John O. Pini.

BROOMFIELD, Colo. — Shaw, Bauer and Company Inc. has opened a branch office at 1390 West U. S. Highway 287, under the direction of John R. Shaw.

BROWNSVILLE, Tex.—Nongard, Showers & Murray Inc. has opened a branch office at 934 East Levee Street under the direction of R. C. Nongard.

CINCINNATI, Ohio — Francis I. du Pont & Co. has opened a

branch office in the Dixie Terminal Building, under the management of Edwin C. Tessel.

CIRCLEVILLE, Ohio — First Columbus Corporation has opened a branch office at 210 South Court Street under the management of C. David Fullen.

CLIFTON, N. J.—Moran & Co. has opened a branch office at 18 Main Street, under the direction of Manuel A. George.

FLORALA, Ala. — Frank Chappelle & Co., Inc. has opened a branch office under the management of Cyril E. Faine.

GREELEY, Colo. Boettcher and Company has opened a branch office at 906 Ninth Avenue under the management of Carl D. McKinley. Robert W. Willard is Assistant Manager. Mr. McKinley was formerly head of Carl D. McKinley & Co. in Greeley.

HARTFORD, Conn. — Keefe, Bruyette & Woods, Inc. has opened a branch office at 111 Pearl St. under the management of Gene F. Bruyette.

HUNTSVILLE, Ala. — Barry Chandler, Jr. has been named resident manager of the new branch office of Frank Chappelle & Co., Inc. at 213 West Side Square.

LAUREL, Miss. — Howard, Weil, Labouisse, Friedrichs and Company has opened an office at 518 Central Avenue in charge of Robert P. Kelso, registered representative of the firm.

LINDEN, Ala.—Frank Chappelle & Co., Inc. has opened a branch office under the direction of W. A. Glass. Mail address is P.O. Box 64.

MIAMI, Fla.—The firm name of Givens & Co., Inc., Ainsley Building has been changed to Givens, Marx & Co., Inc.

NEW ORLEANS, La. — H. Hentz & Co. has opened a branch office in the New Orleans Cotton Exchange Building, under the management of Caswell P. Ellis, Jr.

NEWPORT BEACH, Calif.—Crutenden & Co., Inc. has opened a branch office at 4200 Acacia St. under the management of L. Delford Fedderman.

PITTSBURGH, Pa.—Arnold, Wilkens & Co., Inc. has opened a branch office at 713 Liberty Avenue. John J. Bruno, formerly President of J. J. Bruno & Co., Inc., is resident manager.

RIVERSIDE, N. J.—Allen, Rogers & Co. has opened a branch office at 135 Bridgeboro Street, under

Continued on page 38

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Current News In the Field

Continued from page 37

the management of James B. Galbraith.

SYRACUSE, N. Y.—M. Griffith Inc. has opened a branch office at 700 East Water Street, under the direction of Margaret Griffith.

TROY, Ala.—A new branch office has been opened by Frank Chappelle & Co. Inc. at 209 Franklin Drive, under the management of James W. Gaylard, Jr.

WEST BEND, Wis. A new branch office has been opened by Splaine & Frederick, Inc. at Seventh & Cedar. John J. Searle is resident manager.

WEST ENGLEWOOD, N. J.—Winslow, Co. & Stetson Inc. has opened a branch office at 1377 Palisades Avenue. Paul H. Halladin is temporary manager.

WILMINGTON, Ohio—First Columbus Corporation has opened a branch office at 245 South Mulberry Street under the management of Frank Casey.

YOUNGSTOWN, Ohio—Merrill, Turben & Co., Inc., Cleveland, Ohio, members of the New York and Cleveland Stock Exchanges, has acquired Beadling & Company, 18-year-old Youngstown securities firm.

Operations of the Merrill, Turben Youngstown office have been consolidated with those of Beadling & Co. in the former Beadling & Co. offices, Union National Bank Building. It is planned that the consolidated offices, to be operated under the Merrill, Turben name, will be enlarged and re-modeled.

David Tod, Manager of the Merrill, Turben office, will remain in that position. Mrs. Dorothy B. Gourley, President of Beadling & Co., will be Assistant Manager, and Colonel Lloyd Booth, who began Merrill, Turben operations in Youngstown in 1947, will continue to serve as senior consultant.

Miracle Mart Common Sold

McDonnell & Co. Inc., New York City, heads a group of underwriters offering today (Sept. 20) 180,000 common shares of Miracle Mart, Inc. at \$10 per share.

It is the first public offering of the stock in the company which operates self-service discount department stores. The company is selling 120,000 shares and will use proceeds to repay bank loans, to replenish inventories and for pre-opening expenses for seven new stores. The other 60,000 shares are being sold by two stockholders, Irving Benstein, chairman, and George Desses, president.

Miracle Mart operates 19 stores in six states and contemplates opening seven additional stores prior to April 1963. Its head office is at 370 W. 35th St., New York.

Laikind Joins David J. Greene

David J. Greene & Co., 72 Wall Street, New York City, members of the New York Stock Exchange, announce the appointment of Jeffrey Laikind to their research department. Mr. Laikind was formerly assistant treasurer of the Marine Midland Trust Co.

NSTA



NOTES

INVESTMENT TRADERS ASSOCIATION OF PHILADELPHIA

The Annual Meeting and Election of Officers of the Investment Traders Association of Philadelphia will be held at 5 p.m. at the Barclay Hotel on Wednesday, September 26, 1962.



Jack Christian



W. R. Radetzky



H. E. Beattie, Jr.



Harry F. Green, Jr.



Robert N. Greene

New officers will be:

President—Jack Christian, Singer, Beane and Mackie Inc.

1st Vice-President—William R. Radetzky, New York Hanseatic Corporation.

2nd Vice-President—Herbert E. Beattie, Jr., H. A. Riecke & Co. Inc.

Secretary—Harry F. Green, Jr., Hecker & Co.

Treasurer—Robt. N. Greene, Stroud & Co., Inc.

The State of TRADE and INDUSTRY

Continued from page 13

a lid on prices. Price fighting is still a fact of life in many areas.

(2) Many firms are shying away from price increases because of the fear of government retaliation.

(3) Any boosts will be on the small side—2, 3, or 4%. Many feel that the day of the large, across-the-board hike is gone.

Steel Upturn Trend Put Off To November

No decisive movement in the steel market is indicated before November, *The Iron Age* reported yesterday.

There are some local and regional developments, and offsetting upturns and downturns in steel buying. But there is no movement on a broad base that could be called a trend.

False starts and spot orders tend to cloud the picture. But as it stands this week, October has little chance of showing a one million ton gain in production over September. This has been considered the rate of improvement needed to assure a significant upward trend in the fourth quarter.

But consumption of steel is holding up, and shipments will have to advance substantially as inventories are worked off. Just when this will occur is the problem. The expected September upturn did not occur and it will now take a late flurry of orders to show a respectable pickup in October.

As the order rate stands now, October may not be much better than September. In short, unless the unexpected occurs, fourth quarter gains will be moderate.

Is there any change the unexpected will occur? If it does, it

probably will originate in changes in buying plans of automakers. And there is one indication this could happen.

One large automotive plant was told by its central office that the plant's November steel buy would be roughly 90% higher than October. This bulge comes on top of an inventory already some 10,000 tons above normal.

Unless this is a strictly local development, it could mean the company's inventory policies have changed, and that so-called normal buying rates would be resumed in November.

However, this could not be confirmed at the company level, and realists are reconciled to further cutbacks in auto steel inventories through November and possibly longer.

But this does underscore the fact that any change in automakers' steel inventory policies could change the market overnight. If the automakers have decided, for example, that it is practical or desirable to halt inventory liquidation at any given time, the market will immediately snap out of its lethargy.

Jump in Car Output Well Under Way

Planning to supply new car dealers with upwards of 500,000 new 1963 model cars by the end of this month, U. S. auto makers last week scheduled an 81.7% rise in output from the previous week according to *Ward's Automotive Reports*.

The statistical agency said that 118,083 cars were programmed to roll off assembly lines by September 15. This compares with 64,995 cars made two weeks ago

and 64,164 units turned out in the corresponding 1961 week.

Ward's has estimated that output for entire September will reach 482,500 units, 36% above the 354,712 cars made in the strike-hit month of a year ago. This higher September program will more than offset the earlier production start on 1962 models last year. With the impairment of strikes, '62 model production had reached only 496,200 units by Oct. 1.

Freight Car Loadings Down 3.7% From 1961 Level

Loading of revenue freight in the week ended Sept. 8 totaled 495,286 cars, the Association of American Railroads announced. This was a decrease of 86,134 cars or 14.8% below the preceding week, due to the Labor Day Holiday and a complete work stoppage on the Chicago and North Western system.

The loadings represented a decrease of 18,934 cars or 3.7% below the corresponding week in 1961, but an increase of 15,221 cars or 3.2% above the corresponding week in 1960, when loadings were affected by a strike on the Pennsylvania Railroad.

There were 14,141 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Sept. 1, 1962 (which were included in that week's over-all total). This was an increase of 1,785 cars or 14.4% above the corresponding week of 1961 and 3,046 cars or 27.5% above the 1960 week.

Cumulative piggyback loadings for the first 35 weeks of 1962 totaled 464,830 cars for an increase of 79,695 cars or 20.7% above the corresponding period of 1961, and 94,544 cars or 25.5% above the corresponding period in 1960. There were 61 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.

Week's Truck Tonnage Was 2.5% Above Year Ago

Intercity truck tonnage in the week ended Sept. 8 was 2.5% ahead of the corresponding week of 1961, the American Trucking Associations announced. Truck tonnage was 13.6% below the volume for the previous week of this year. The ATA stated that the week-to-week decline was consistent with that found in earlier years for the week of the Labor Day holiday.

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 two weeks ago showed increased tonnage from a year ago at 22 localities, with the remaining 12 points, reflecting decreases from the 1961 level. Four trucking centers—Houston, Minneapolis-St. Paul, Los Angeles, and Dallas-Ft. Worth—registered gains from the corresponding week of 1961 of 10% or more.

Compared with the immediately preceding week, only Omaha terminals registered increased tonnage while the remaining 33 metropolitan areas reported decreases. Notably large decreases were experienced by truck terminals in Oklahoma City, New Orleans, and Portland, Oregon—all 20% or more. Here again, past experience indicates that some points are more directly affected by slack volume during holiday weeks than are others.

Lumber Output Declines 6.1% Below 1961 Level

Lumber production in the United States in the week ended Sept. 8, totaled 182,941,000 board feet compared with 217,913,000 in

the prior week, according to reports from regional associations. A year ago the figure was 194,810,000 board feet.

Compared with 1961 levels, output declined 6.1%, shipments 8.7% and new orders 5.6%.

Following are the figures in thousands of board feet for the weeks indicated:

	Sept. 8, 1962	Sept. 1, 1962	Sept. 9, 1961
Production	182,941	217,913	194,810
Shipments	181,440	232,550	198,623
New orders	182,087	229,690	188,817

Electric Output Up 6.1% Over Last Year

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Sept. 15, was estimated at 16,837,000,000 kwh., according to the Edison Electric Institute. Output was 838,000,000 kwh. above that of the previous week's total of 15,999,000,000 kwh. and 968,000,000 kwh. or 6.1% above the total output of the comparable 1961 week.

Business Failures Turn Up From Holiday Low

Rising considerably from the holiday low a week earlier, commercial and industrial failures climbed to 270 in the week ended Sept. 13 from 204 in the prior week, reported Dun & Bradstreet, Inc. Casualties still remained lower than in the similar week last year when the toll came to 292, although they equalled the pre-war level of 269 in 1939.

Failures with liabilities in excess of \$100,000 held steady, numbering 37 as against 34 in the preceding week and 33 last year. A substantial upturn lifted smaller casualties, those involving losses under \$100,000, to 233 from 170 a week ago but they did not reach the 259 of this size occurring in the similar week last year.

Tolls turned up in all industry and trade groups, with retailing casualties mounting to 119 from 98, manufacturing to 48 from 38, wholesaling to 34 from 20, and construction to 45 from 37. The steepest upswing took place in commercial services where failures more than doubled, rising to 24 from 11. Mortality equalled or exceeded 1961 levels in all lines except retail trade and construction.

Geographically, there was little week-to-week change in five regions, including the Middle Atlantic States with 65 as against 64. All of the week's upturn was concentrated in four regions; casualties in the Pacific States climbed to 65 from 38, in the South Atlantic to 33 from 24, in the West South Central to 21 from 11, and in the East North Central to 60 from 45. Year-to-year trends also were mixed geographically—five regions had fewer businesses failing than in the same week of 1961 and four areas suffered heavier mortality.

Wholesale Commodity Price Index Eases Slightly

After reaching a seven-month high on Tuesday last week, the general wholesale commodity price level edged down slightly last Monday, reported Dun & Bradstreet, Inc. While still a little above the August level for the corresponding date, it was appreciably lower than a year ago. The week was full of contrary trends, with about an equal number of ups and downs registered in the wholesale commodity market. Substantial declines in steel scrap, wheat and rye prices offset the marked increases in quotations for silver, hides and butter.

The Daily Wholesale Commodity Price Index eased to 272.80 (1930-32=100) on Monday, Sept. 17 from 273.58 a week earlier but held a little above the 272.54 in the preceding month. Compared with the similar date of 1961, when it stood at 274.97, however,

the current index remained appreciably lower.

Wholesale Food Price Index Dips Fractionally

The wholesale food price index, compiled by Dun & Bradstreet, Inc., slipped 0.8% to \$5.95 on Sept. 18 from \$6 in the preceding week. Also, it was off slightly from the \$5.99 registered on the corresponding days of both 1961 and 1960.

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.

Weather Boosts Consumer Buying For Fall

Stimulated by cool, clear weather through most of the nation, shoppers stepped up their purchases in the week ending Sept. 14. With this heightened pace of fall buying, total retail trade surged well ahead of comparable year-ago levels. Along with a final burst of activity in back-to-school clothing, solid increases were made in women's apparel, men's furnishings, and home goods. Hardware, building materials and autos continued to move well.

The total dollar volume of retail trade in the week ended a week ago, Wednesday, ranged from 7 to 11% higher than a year ago. Regional estimates varied from comparable 1961 levels by the following percentages: New England and East South Central 0 to +4; Mountain +2 to +6; Pacific +3 to +7; West North Central +4 to +8; West South Central +5 to +9; East North Central +8 to +12; South Atlantic +10 to +14; Middle Atlantic +12 to +16.

Nationwide Department Store Sales Rose 13% Above 1961 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported a 13% advance for the week ended Sept. 8, 1962, compared with the like period in 1961. For the week ended Sept. 1, sales rose 5% from the corresponding 1961 week. In the four week period ended Sept. 8, 1962, sales advanced 4% over the corresponding period in 1961.

According to the Federal Reserve System department store sales in New York City for the week ended Sept. 8, were 19% above the same period in 1961.

Washington Trotting Assn. Units Offered

Public offering of \$2,300,000 6½% subordinated sinking fund debentures due 1977 and 276,000 non-voting common shares of Washington Trotting Association, Inc., is being made by Moore, Leonard & Lynch, Pittsburgh, and Stroud & Co. Inc., Philadelphia. Each unit, priced at \$175, consists of one \$100 debenture and 12 common shares.

The company, headquartered in the Washington Trust Building, Washington, Pa., has obtained a license to conduct in Washington County, Pa., harness horse racing with parimutuel betting. It has obtained the land, and will use the proceeds from this offering to construct a five-eighths mile track, clubhouse, grandstand and related facilities.

Upon completion of the sale, it will have outstanding long-term debt of \$2,616,165, as well as 276,000 non-voting and 200,000 class B voting common shares.

Businessman's BOOKSHELF

Aerospace Facts and Figures: 1962—10th edition of statistical and textual chronicle of the industries' efforts in research, development, text and production—Aerospace Industries Association of America, Inc., 1001 Vermont Avenue, N. W., Washington 8, D. C. (paper), \$3.

Awards of Prime Military Contracts By County, State and Metropolitan Area of the United States Fiscal Year 1960—Walter Isard and James Ganschow—Regional Science Research Institute, P. O. Box 8776, Philadelphia 1, Pa. (paper), \$2. (quantity prices on request).

Bridging the Channel: The Businessman and Europe—Midland Bank Ltd., Poultry, London E. C., 2, England (paper).

Business Credit Demands—Problems of Interpretation—In the July-August issue of "Monthly Review"—Federal Reserve Bank of Kansas City, Kansas City, Mo. (paper).

City Government Finance in 1961—Compendium—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 55¢.

Comprehensive Approach to Mobile Home Park Financing—Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago 6, Ill., \$1.50.

Consumers Cocktail—The Exploding Discount House—Edward M. Barnet—"Business Topics," Michigan State University, East Lansing, Mich.

Decay of Money—A Survey of Western Currencies, 1912-1962—Elgin Groseclose—Institute for Monetary Research, Inc., 1010 Vermont Avenue, N. W., Washington 5, D. C. (paper), \$1.

Deviation of Rea—Edwin Vennard—Edison Electric Institute, 750 Third Avenue, New York 17, N. Y. (paper).

Drug Control Bills and Other Proposals to Amend the Food, Drug and Cosmetic Act—American Enterprise Institute, 1012 Fourteenth Street, N. W., Washington 5, D. C. (paper), \$1.

Economic and Social Consequences of Disarmament—U. S. Arms Control and Disarmament Agency—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 35¢.

Equity and Long-Term Financing for Small Manufacturing Firms in Minnesota—Harold W. Stevenson and Delbert C. Hastings—University of Minnesota, Minneapolis, Minn. (paper).

Federal Home Loan Bank System: Combined Financial Statements, Part 1—Assets and Liabilities—Federal Home Loan Bank Board, Washington 25, D. C. (paper).

Fumaric Acid and Its Practical Applications—Petro-Tex Chemical Corporation, Houston 17, Texas (paper).

Government Development Bank for Puerto Rico—Quarterly Report to Investors—Government Development Bank for Puerto Rico, San Juan, Puerto Rico (paper).

Group Banking: A form of Banking Concentration and Control in the United States—W. Ralph Lamb—Rutgers University Press, 30 College Avenue, New Brunswick, N. J. (cloth), \$7.50.

Highway Statistical and Financial Data—American Petroleum Institute, 1271 Avenue of the Americas, New York 20, N. Y. (paper).

Industry Wage Survey: Power Laundries and Cleaning Services

—U. S. Department of Labor, Bureau of Labor Statistics—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 45¢.

Intercity Truck Tonnage, Fourth Quarter, 1961—Department of Research and Transport Economics, American Trucking Associations, Inc., Washington 6, D. C. (paper).

International Bank for Reconstruction and Development—17th Annual Report, 1961-1962—International Bank for Reconstruction and Development, Washington, D. C.

International Development Association—Annual Report, 1961-62—International Development Association, Washington, D. C. (paper).

International Finance Corporation—Sixth Annual Report, 1961-1962—International Finance Corporation, Washington, D. C. (paper).

Law of Bank Checks—Henry J. Bailey—Revised and Modernized Edition—The Banking Law Journal, 89 Beach Street, Boston 11, Mass., \$22.50.

Management Investment Companies: Open-end and closed-end investment companies look at their position and purpose in the American economy—A monograph prepared for the Commission on Money and Credit—Prentice-Hall, Inc., Englewood Cliffs, N. J. (cloth).

Manual for the President of a Growing Company—David B. Thurston—Study of methods bringing prosperity to young and growing businesses, and covering areas that directly affect profit potential and growth opportunities such as financial marketing, facilities, organization, operation, the President's job and other executive matters—Prentice-Hall, Inc., Englewood Cliffs, N. J. (cloth), \$20.

New York State Business Fact Book, 1962: Northern Area—Business and Manufacturing—Department of Commerce, 112 State St., Albany 7, N. Y. (paper).

Occupational Wage Survey: Charlotte, N. C.—U. S. Department of Labor, Bureau of Labor Statistics—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 25¢.

Pathology Tests Look Into Your Future—Thomas M. Peery and Alyce Moran Goldsmith—Public Affairs Pamphlets, 22 East 38th Street, New York 16, N. Y. (paper), 25¢.

Proposed International Coffee Agreement—American Enterprise Institute, 1012 Fourteenth Street, N. W., Washington 5, D. C. (paper), \$1.

Reappraisal of Business Taxation—A Symposium Volume—Tax Institute Incorporated, Princeton, N. J. (cloth), \$6.

Saving, Credit and Insurance in Brazil: Their Contribution to Economic Development—Ralph von Gersdorff—Barbados Government Printing Office, Barbados, West Indies (paper), \$5. (U. S.).

Tax Credits & Intergovernmental Fiscal Relations—James A. Maxwell—The Brookings Institution, 1775 Massachusetts Avenue, N. W., Washington 6, D. C. (cloth), \$3.75.

United States Information Agency—Review of Operations, Jan. 1-June 30, 1962—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

Value of Prime Contracts Awarded By Federal Agencies in Areas of Substantial Unemployment—October-December, 1961—U. S. Department of Commerce, Washington 25, D. C. (paper), 25¢.

Valuation of Securities Holdings of Life Insurance Companies—Harold G. Fraime—Richard D. Irwin, Inc., Homewood, Ill. (cloth), \$5.75.

Tariffs and the Chemical Industry: Past and Present

Continued from page 3
industry prospered greatly during the 1920's.

The Tariff Act of 1930 (Smoot-Hawley Act) constituted a complete tariff revision. While many rates were changed the over-all average did not change materially. It is this law under which we have been operating until very recently.

Trade Agreements Act

In the belief that lower tariffs would help alleviate the depressed business of the early 30's, Congress instead of revising the tariff Act of 1930, authorized the President to change duties by 50% in return for concessions from foreign countries. This was the Trade Agreements Act of 1934. This Act has been extended eleven times and additional tariff reducing authority amounting to cuts to approximately 80% of 1934 rates has been granted.

During this period the average cuts on all chemicals has averaged about 50%.

According to our Constitution foreign trade matters are the responsibility of Congress. Note that since 1934 much of that authority has been delegated to the Executive Branch. Negotiations are carried out through the General Agreement on Tariffs and Trade or GATT. In this organization, which came into being in 1947, we are negotiating with some 40 other countries. Since Congress has never approved our membership, we are not officially members but all agreements have been carried out regardless of this. The last negotiations were held in 1961 and tariff reductions of a further 20% were started on July 1 of this year. A number of specific chemicals were involved.

Astute foreign producers, whose advice is sought by their governments, have obtained concessions on key intermediate products which affect the crudes from which they are made as well as the finished products which are made from them. It is easy to see that the killing of one branch of a chemical tree not only kills the numerous twigs on that branch but may kill the basic trunk which supplies it.

It is apparent that present tariffs do not bar chemical imports. Since foreign producers started recovering from the war, imports of chemicals into the U. S. have risen steadily. There are many instances of chemical products landed in this country, duty paid, which sell not only below domestic selling prices but frequently below domestic costs.

It is true our exports of chemicals exceed our imports. In general, exports are high production, low labor content chemicals or raw materials. Imports are largely the more sophisticated products of high labor content of which dyes are an example.

Tariff Reclassification

In 1954 Congress authorized the Tariff Commission to make a study for reclassification of tariff items. This was not to change rates but merely to classify products more systematically. The chemical industry spent a great deal of time and effort in assisting the Tariff Commission. Many items now common in commerce were not even known when the 1930 Act was written. In November, 1960, a ten volume reclassification proposal was issued. This was adopted by action of the Congress and signed by the President as Public Law S7556.

It will go into official use Jan. 1, 1963. The chemical section (Sec-

tion 4) is much more systematic in both arrangement and numbering.

Comparative Tariffs

It is difficult to compare our tariffs on chemicals with those of foreign countries. In the case of dyes our 40% of American selling price (if they are competitive) appears high vs.:

- 12-14% in Germany
- 15-18% in Italy
- 25% in France
- 33½% in England

On the other hand, organic fluorine compounds have a tariff of 10½% in this country, 12.7% in Germany; 18% in Italy; 20% in France and 33½% in England.

In addition, many foreign countries have import restrictions such as taxes, quotas, import license requirements, etc., some of which operate as an embargo.

Trade Expansion Act of 1962

In previous trade agreements acts extending over the presidencies of Roosevelt, Truman and Eisenhower, certain policies prevailed. These were:

- (1) Selective use of trade agreement authority;
- (2) Item-by-item negotiation;
- (3) Avoidance of injury to domestic industry.

The Trade Expansion Act of 1962 (HR. 11970) would change this. It would give the President authority to negotiate tariff cuts of 50% on all products and to eliminate tariffs completely on categories of products on which the United States and the Common Market have 80% of world trade. Most chemicals would be included in the latter category.

The bill assumes injury to certain industries. Instead of offering relief through tariff adjustment, it calls for increased unemployment compensation to workers unemployed because of imports and loans and technical advice, to companies so injured.

This bill has passed the House and is now before the Senate.

A study made for the Synthetic Organic Chemical Manufacturers Association by Arthur D. Little shows that:

- (1) Europe and Japan have the capacity not only to supply their own needs but to export.
- (2) They can make organic chemicals at 80-85% of our cost due primarily to lower wage rates.

From this it is apparent that without tariffs imports into this country would increase alarmingly. A. D. Little estimates imports would take over 10-20% of the domestic market.

On the other hand our products cannot compete abroad where they are made at lower prices. Raw materials not otherwise available to them and specialties not yet developed by them would represent essentially our only markets abroad.

Since their research can be carried out at about half of our costs, it will be difficult if not impossible for us to develop unusual products for export in any volume.

If this bill passes and if the President elects to put our products on the trading list, it is obvious that our exports will decrease and our imports increase thus jeopardizing an industry essential to the defense and well being of the country.

*An address by Mr. Black before the meeting of the American Chemical Society's Division of Chemical Marketing and Economics, Atlantic City, N. J., Sept. 10.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—The telegraph business has been brisk recently. On one day alone (Sept. 14) a member of the Senate and a member of the House each vowed he had received approximately 4,000 telegrams.

Each is a conferee on an important tax revision bill. Probably all the other House and Senate conferees received as many or more messages on some of the controversial features of the measure, (HR. 10), the so-called Keough bill.

For several years the House passed a bill that would allow self-employed persons like doctors, lawyers, engineers, dentists, etc., to establish their own voluntary retirement plan through income tax incentives.

The other day the Senate for the first time got around to approving HR. 10 in principle and, in doing so, tacked on a series of far-reaching amendments that has stirred up a hornet's nest.

There are approximately 60,000 profit sharing pension plans operating in various forms. The plans were set up with the approval of the Department of the Treasury.

Gore Amendment Dead

One of the amendments adopted is a proposal by Senator Albert Gore of Tennessee that would not only place a much higher tax on the company pension plans, but would limit the amount the companies could contribute. As a result, not only are the many companies protesting vigorously, but many rank and file employees are bitterly protesting.

The Senate and House conferees will start their huddles right away. With Senator Harry F. Byrd of Virginia leading the list of Senate conferees, and Representative Wilbur D. Mills of Arkansas, heading the House conferees, it appears a foregone conclusion the Gore amendment is going to be knocked in the head.

Representative Mills, like Senator Byrd, is a conservative. It would be a marked surprise if the majority of conferees let the amendment stand.

Provisions of the Bill

The Senate amendment to the House-passed bill for self-employed persons would permit them to set aside up to 10%, but not more than \$2,500 of their yearly income in a retirement fund. Taxes on the incentive fund would be deferred until the taxpayer retires and starts to get his annuity. Of course, when he retired it is to be expected that his income will be considerably less, and thus his taxes would not be as great as now when his earning power is greater.

Just what will be the final version of the self-employed pension plan provision by Congress, is a matter of conjecture. For years and years self-employed individuals and their associations have worked for an incentive plan. Persons employed by companies, for instance, are covered under the social security act. Social security became operative Jan. 1, 1936.

If the self-employed retirement proposal becomes law, it will have its effect to a small degree on the Treasury Department. There are many thousands of self-employed

persons in this country. Some have started their own retirement plans without a tax incentive.

Fight Over Foreign Aid

Congress is a busy place as the law-makers drive toward the final weeks of the session. A fair-sized scrap was shaping up in the House over the Kennedy Administration's foreign aid recommendation.

The man leading the fight is a self-educated, conservative businessman, who made a fortune of more than \$500,000 before he decided to run for Congress. He is Representative Otto Ernest Passman of Monroe, La.

Mr. Passman almost alone has reduced foreign aid appropriations by more than \$5.4 billion in the past seven years. Before the bill goes to the Senate it will be cut again.

The Department of State and a lot of other people thoroughly dislike Representative Passman, politically speaking. He is persona non grata with some of his own colleagues and from the White House itself.

Nevertheless, he has many people that feel like he does about our foreign assistance program. Representative Passman is not seeking to kill the foreign assistance program outright, but he maintains that "it is so inflated that it is a disgrace."

"Wrecking the Economy"

"I say seriously and calmly," he declared, "that this foreign aid giveaway program is fast wrecking the economy of our country, reducing the purchasing power of the dollar, destroying our foreign markets, pricing ourselves out of the world trade arena, and building up a public debt that will have to be repudiated and paid by generations unborn."

Several days ago the Louisiana, who is one of the best dressed men in Congress wrote a letter to each of his colleagues. He wrote it as Chairman of the House Foreign Operations Subcommittee on Appropriations. It is as Chairman of this subcommittee that he is able to do some cutting of the recommended appropriations for the foreign aid.

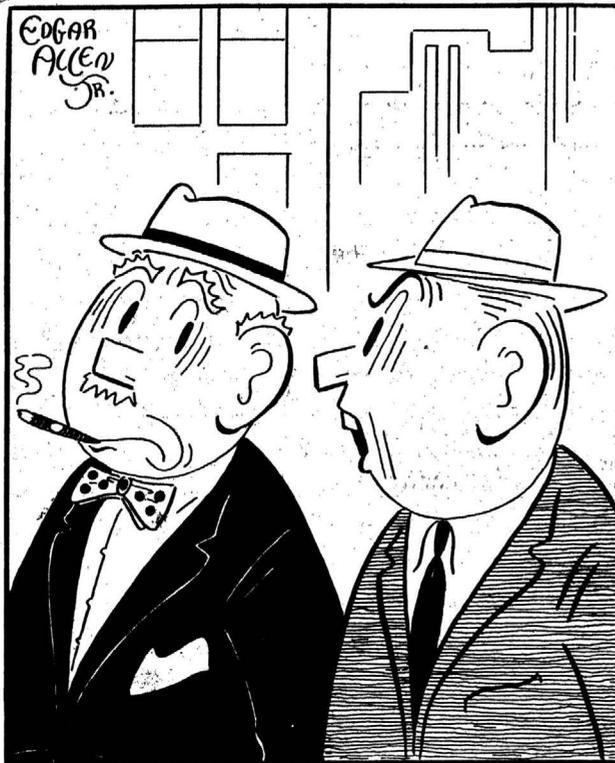
Representative Passman on the eve of the new battle on the House floor insisted that there is already sufficient unexpended funds from past appropriations to keep the foreign assistance program going for the next two years. He said that on June 30 unexpended funds totaled \$6.7 billion.

No Foreign Policy

"The onetime tenant farm boy from Louisiana, who has become a national figure at least for several weeks each year, said: 'We no longer have a foreign policy as such. It has degenerated to such an extent that we have nothing to offer but dollars and the wealth of our country.'

'Unfortunately it is my responsibility to Chairman the Subcommittee that handles the most uncontrolled and uncontrollable spending orgy ever conceived by the mind of man.'

Thus far the Southern congressman said a total of 101 countries have received or are scheduled to get some assistance from the United States since inauguration



"Boy! What a tough day! The calculator went on the blink and I had to THINK!"

of the Marshall Plan following World War II.

"The wealth of America," said he, "is streaming out at the rate of \$10 billion annually and will continue to do so, until the people themselves warn their Congressmen forcibly and effectively that they must bring this wild giveaway program under control, or else they will be replaced.

"There are too many members of Congress looking to the Administration for courtesies and prestige, who are overwhelmed by this new experience and are greatly inclined to think of the next election rather than the welfare of the next generation."

A World War II Navy Lieutenant Commander, Mr. Passman said that since 1945 all segments of this country's foreign assistance "including the interest on the borrowed money for the aid," has cost the United States Government \$126 billion.

[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.]

Chicago Analysts Luncheon Meeting

CHICAGO, ILL.—The Investment Analysts Society of Chicago will hold a luncheon meeting Sept. 20 in the Century Room of the La Salle Hotel. Guest speakers will be Maurice Saltzman, President, Burton L. Kamberb, Vice-President, and Jack Landis, Vice-President, Finance, of Bobbie Brooks, Incorporated.

COMING EVENTS

IN INVESTMENT FIELD

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. 26, 1962 (Philadelphia, Pa.)

Investment Traders Association of Philadelphia annual meeting and election at the Barclay Hotel.

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. 13, 1962 (New York City)

Security Traders Association of New York 8th Annual Dinner Dance at the Americana 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. 14, 1962 (New York City)

Association of Stock Exchange Firms Annual Meeting of members and organizational meeting of the Board of Governors. Dinner at the University Club.

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.

Nov. 29, 1962 (Chicago, Ill.)

Investment Analysts Society of Chicago luncheon meeting.

Speaker: Herbert R. Silverman, President, James Talcott & Co.

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.

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