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EDITORIAL

As We See It

Dispatches from Washington indicate that the President has come to a full realization of the fact that he must work closely with Congress if he is to make headway with any sort of self consistent program of legislation. He, of course, has always known that Congressional co-operation was essential. He spent years at the other end of Pennsylvania Avenue, and should know, probably does know, the workings of the Congressional mind. He has, however, apparently come to a refreshed conclusion about what he can do and what he can not do, given any existing Congressional membership. At any rate, he is now said to be working through his own agencies for Committee memberships and chairmen which will be favorable to the consummation of plans that he has in mind. He is also unofficially said to be working on modifications of plans for dealing with the general situation he faces in this year of our Lord, 1963.

So far so good. At the same time one gets the impression that what he and his aides are doing is to determine the least changes that must be made in the plans of the White House in order to have a reasonable chance of getting desired legislation to the statute books. That is to say, that the President is primarily engaged in an effort to find a way to salvage as much of the New Frontier program as may be. That program or those programs were, for the most part, formulated without reference to what members of Congress think or favor except as may be necessary to give such plans a favorable, or at least not an unfavorable, reception at the other end of Pennsylvania Avenue. All this is, of course, quite consistent with the teachings of Woodrow Wilson and with the practice of Franklin Roosevelt. (Continued on page 21)

Stocks in 1963 Should Once Again Dominate Investment Planning

By Robert M. MacRae, *Robert M. MacRae, Inc., Seattle, Washington*

Good stocks today carry less risk and offer greater possibilities for gain than at any time in the past five years. In making this judgment, Mr. MacRae foresees continued erosion of the dollar's purchasing power and points out that leading stocks, unlike popular "glamour" ones, have largely regained their 1962 losses. Mr. MacRae is critical of our monetary tinkering and fiscal recklessness and asks whether many will be protected with stocks when the present monetary inflation begins to affect the price level?

Nineteen sixty-three should be a satisfactory year for business profits and investment results. Many problems are facing our country and widespread uncertainty surrounds the security markets but these factors are fairly well discounted by current share prices and business forecasts. Problems that are known and accepted have already had their effect on the market place. The purchase of good common shares today probably carries less risk and offers sounder possibilities for gain than for any time in the past five years.

Robert M. MacRae

An enormous amount of wasted energy is spent by investors hoping to buy stocks near a bottom of a market move and, later, to sell out near a top. This is true because few are interested when the background news is "poor" and only become buyers after a long advance or when current corporate news is good. It is often believed that share prices move closely with business profits. Although there is an obvious connection between these two factors, actual experience shows that share prices are more affected by what the majority of investors "think" will happen than by what actually does happen. For this reason, stocks normally begin to decline much ahead of the peak in profits and begin a long term recovery at the time business is still in a profit decline. This can well be the situation today.

The events of 1962 will have many good long term effects. The completely unjustified price level of many popular stocks that existed in 1961 and early 1962 was well corrected by the March to June 1962 stock market decline. Investors learned to their sorrow that sound investment requires more than promises of future earnings and that short term gains can also fade just as rapidly. This lesson was painfully learned by many in the investment business who, until 1962, had not before experienced anything resembling an "investor panic." Fortunately, no major financial catastrophy followed the severe market declines of 1962 and it is now clear that the real stability of this country was not unduly affected by this necessary stock market price correction.

Business volumes and profits held up well for most industries in 1962 although many individual companies suffered from the continuing profit margin squeeze that had been developing for years. The domestic steel industry is an outstanding example of this condition. We must expect this competition to continue for it is only the natural result of our capitalistic system in operation. High profit margins are often (Continued on page 22)

SECURITIES NOW IN REGISTRATION—Underwriters, dealers and investors in corporate securities are afforded a complete picture of issues now registered with the SEC and potential undertakings in our "Securities in Registration" Section, starting on page 30.

The Security I Like Best...

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

This Week's Forum Participants and Their Selections

MICHAEL L. BURKE

Registered Representative, Lubetkin, Regan & Kennedy, New York City, Members of The New York Stock Exchange

Hercules Powder Corp.

Hercules Powder is one of the fastest growing major chemical companies in the United States, and one of the few major industrial corporations capable of doubling per share earnings over the next five years. Its produce lines are widely diversified and are used (in order of importance to sales volume) in the space, paper, coating, plastic, fertilizer, mining, rubber, food and petroleum industries, among others. The particularly strong growth aspects of the company are found in the products related to space work followed by products used in the plastics field. Entrance in these fields since 1954 have cast a new reflection on what was once no better than an average chemical producer.

The company was an orphan of a court order in 1912 requiring DuPont to create sufficient competition to reduce its share of the explosives market from 80% to 50%. During World War I, Hercules was a major supplier of cordite smokeless powder, but by the end of the war the company found itself with excess capacity in products with no peacetime uses. In 1920 the acquisition of Yaryan Rosin and Turpentine Company's rosin and turpentine plants plus construction of a plant of their own enabled Hercules to become the largest producer of Naval Stores in the world. This division has subsequently grown at a rate of about four times that of the Gross National Product. From this simple diversification Hercules has consistantly grown by developing and marketing products developed as derivatives of chemicals already produced. This building up policy and upgrading of products has placed the company in an extremely advantageous position today.

First of all, it has placed them in the two fastest growing phases of the chemical business, space technology and plastics, and made them major factors in both. Propellants for space vehicles are a natural outgrowth of their experience in explosives and their general experience in chemistry was utilized in the development of polypropylene and polyethylene for the plastics field. Second, it has placed them in a diversified position where, as of 1961, no single division accounted for more than 15% of sales. One has only to look at the list of industries served to realize that over 40% of sales now come from industries which are non-cyclical and that over 60% of sales are in fields which are growing faster than the economy as a whole. Needless to say, this puts Hercules in a position where it is not only resistant to recessions, but able to participate at a much better than the average rate when the economy is moving up.

Management can only be viewed in the highest esteem. In an industry which has increased profits about 10% since 1952 Hercules has shown a 150% gain. In the early 1950's when present management entered the company they were not satisfied with what they saw. While sales had increased about 46% in the period from 1949 to 1953, earnings had only increased 6%. A decision was made to increase capital expenditures substantially and a program of building on oil-based organics was initiated. This major change in product mix was accomplished at a cost in excess of $40 million but has moved the company well into the fast growing field of primary hydrocarbons. While the plastics field is highly competitive Hercules strongly developed two products, polyethylene and polypropylene, becoming a major factor in both these plastic building blocks. The recent growth rate on a company basis on these products is over 25% per year and should continue at the same rate for the next few years. This strong position has also enabled them to move into other phases of polymer chemistry, a field growing at a rate about twice that of the rest of the chemical industry, and which finds wide application in such fields as synthetic tires and corrosion resistant materials.

The really glamorous phase of the company's operations lies in defense work. In 1962 about 25% of estimated volume came from this field. This compares with only 2% as recently as 1958. It was that year that the Chemical Propulsion division was formed to develop propellants for rockets, missiles and other space craft. This work has taken them into various phases of work on such programs as Polaris, Minuteman and Nike Hercules, among others. It is estimated that over the next five years this division could contribute about 50% of total sales. Over half the employee's are now engaged in work relating to this division and the technology developed to date lends credence to management's belief that they will continue to receive substantial contracts as future space projects develop.

Earnings for 1962 are expected to reach $1.80 per share against $1.02 in 1958 and 67 cents in 1952. Earnings for 1963 are tentatively estimated at $2.20 per share. Sales could reach as high as $500 million against only $380 million in 1961.

The capitalization as of June 30, 1962 consisted of 18,074,806 common shares, 87,488 $5 preferred shares and 148,349 shares of $2 cumulative convertible preferred shares (into 1.6 common).

It is for the reasons mentioned above, particularly the intangible quality of capable and farsighted management that I call Hercules my favorite security. The stock is listed on the N. Y. S. E.

MALCOLM P. RATTE

Security Analyst, A. M. Kidder & Co., Inc., New York City

Kansas City Southern Industries, Inc.

Benefiting from recent more liberal depreciation and new investment credits, earnings last year of newly organized holding company, Kansas City Southern Industries, probably reached $4 per new company share amply supporting the $2 dividend that affords a near 5% return. Beyond that, possible reductions in labor costs, a better rate structure and growth of economical piggybacking should serve to maintain the parent's rail income at good levels. Selling at only some 10 times last year's estimated earnings and providing a liberal current income, these good quality shares, listed on the New York Stock Exchange, also offer attractive longer term growth potential from new ventures to be undertaken by this unusually capable management.

The new lease on life the "dying" railroad industry received last year in the form of considerable tax concessions may be further strengthened this year as continued efforts toward mergers, freer rate structures and improved labor conditions move closer to reality. Although still far from solving all of the rails' perennial problems, this relative improvement has already enhanced the quality of earnings and contributed to somewhat higher reported results last year with further progress expected. As a result the traditional income appeal of better quality issues in this group is not only gaining a stronger base (as the risk of longer-term price attrition is being lessened), but may now be actually supplemented with appreciation potentials.

A favorable combination of these two qualities of liberal current income and attractive growth potential is offered by the shares of Kansas City Southern Industries, a holding company for Kansas City Southern Railway, which was just set up by the management of this exceptionally well-run railroad to allow diversification into other fields. This new parent corporation, established in October of last year, acquired nearly 87% of the railway company's outstanding common and preferred stocks in exchange for twice the number of its own common, now 2,040,000 shares and preferred, now 840,000, thus effecting a virtual 2-for-1 split of the railroad's stock. Now a subsidiary, Kansas City Southern Railway, together with wholly owned Louisiana & Arkansas Railway, operates a relatively small (1,640 miles) but exceptionally well situated system affording the most direct route along the Mississippi River to the principal Gulf ports of Port

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

Outlook for Interest Rates Revolves Around Tax Cut

By Tilford C. Gaines,* *Vice-President, The First National Bank of Chicago*

A large tax cut could have important and unpredictable implications for the interest rates in 1963. Chicago banker adds to this view that the only certain forecast which can be made, in view of the imponderables surrounding proposed tax cut, is that a tax cut would be bearish for bond prices. Assuming 1963 will enjoy a gradual rate of economic expansion and barring a tax cut, Mr. Gaines suggests there would be little prospect for significantly better rates.

Last year at this time there was nearly unanimous agreement that interest rates would rise during the course of 1962. Some forecasters expected the rate advance to be gradual and rather small. Others expected interest rates to rise almost to the high levels of 1959 and early 1960. Both the extremists and the conservatives were wrong; interest rates on most types of obligations are lower today than they were a year ago. In the face of this record it requires courage and a certain amount of foolhardiness to attempt a forecast of rates for the year that now lies ahead.

Tilford C. Gaines

What went wrong with last year's forecasts? Very simply, the economy did not behave the way it was expected to behave. Instead of a strong expansion in business activity that would have generated steadily larger demands for credit, the economy, after a good first quarter, levelled off and economic growth in the past many months has been sluggish at best. Economic stagnation, only modest credit demands, and the easy money policies that have properly accompanied these conditions have resulted in sliding rather than rising interest rates.

This experience points up the fact that any attempt to predict interest rate movements must rest upon explicit forecasts of economic developments and of the Government policies that will emerge to deal with these developments. As one follows interest rate movements from week to week and month to month it may sometimes appear that rates are determined principally by the market's phychological reaction to crises such as the recent Cuban episode or to other news items of one sort or another. Such influences upon interest rates are, however, only temporary. The direction of interest rate movement over any period of several months results from the combined influence of the net balance between the supply of and demand for loanable funds from the private economy and the effects of Government economic policies.

Past Interest Rate Trends

To place the current outlook for interest rates in proper perspective, it should be viewed in its relationship to the broad patterns of rate movement over the past several years. From approximately mid-1947 through 1959 interest rates were in a rising trend. This period was characterized by strong private credit demands, from both business and consumers, that tended to outrun the available supply of funds from current savings. It was generally, therefore, a period of high employment, of strong inflationary pressures, and of increasingly restrictive monetary policies intended to limit excessive credit growth. Private credit demands had levelled off by 1956 or 1957 and probably had begun to fall a bit behind the economy's full employment potential to generate loanable funds. But continuing fear of inflation and large Government deficits resulted in continued pressure upon the credit markets and extension of the upward rate trend through 1959.

For the past three years interest rates have been in a declining trend. The sluggish economic growth record during this period has resulted in a tendency for the demands for credit from business and consumers to grow less rapidly than the steadily increasing supply of funds from current savings and from amortization of existing debt. The Government has incurred large deficits, adding to credit demands, but the weakness in the private economy has been the dominant influence upon interest rates. Federal Reserve policy has been easy throughout, permitting commercial banks to add to their total assets at an almost unprecedented rate during the three years 1960-1962.

One additional factor that has been increasingly important in recent years should be mentioned as part of the background to the interest rate outlook. This is the growing freedom for international movement of both short and long-term capital and the consequences for our balance of payments and for Government interest rate pol-

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OBSERVATIONS...

BY A. WILFRED MAY

TOO HIGH AGAIN?

The stock market's substantial 20% recovery from the low of the May-June Break may well be eliciting some worry.

This is particularly so in the light of the widely broached attribution of the market's March-to-October "Slide" (a term constituting a prize euphemism) to the high price earnings ratios (i. e. the market price as a multiplier of the per share earnings).

At the Government's "Summit," it will be recalled, President Kennedy at a news conference cited the pre-Break level of price-earnings ratios as "unjustified"; with Treasury Secretary Dillion offering his widely-quoted suggestion to the Senate Finance Committee of 15 as the price-times-earnings multiplier ("many investment advisers believe that a stock selling at that figure is on a pretty sound basis").

The Current Problem

The erstwhile market appraisers are now faced with the sequel wherein the P/E ratio applicable to the Dow Jones Industrial Average, after having fallen to the "sound" 15-level from its 1962 high of 21, has now risen to a current 18.6. Similarly with Standard & Poor's 500-Stock Average: after its decline from its 1962 high of 20.38 (on January 3) to a low of 14.82 (just under that "sound" 15, on June 26), it has risen to a current 18.10. (If based on average earnings over the business cycle—calculated as "normalized" earnings by Eugene Banks, of Brown Brothers Harriman & Co., the ratio now stands at 19.3.)

Not only is this current 18.10 ratio within hailing distance of this year's high of 20.38, but, with the exception of 1961, it exceeds the annual mean figure of every year since 1938.

Perhaps some reporter at a coming Kennedy or Dillon news conference will ask for an appraisal of the current market level in the light of the rise of their chosen price-earnings yard-stick.

Refitting the Explanations

In any event, and whatever the course of the market's pricing, the "economic explanations" will, after-the-event, be tailored to fit it, as that the profit-squeeze has been found to have disappeared in lieu of the preceding fear of its accentuation. All of the foregoing shows the futility of basing the judgment of present yield on past performance, in lieu of realistic appraisal based on the ultimate return to the shareholder.

ON THAT INVESTMENT MARKET

Testimony by J. Truman Bidwell, former Chairman of the Stock Exchange's Board of Governors, at his retrial for alleged tax evasion, during the past week serves to highlight the noninvestment segment of the Big Board's activities.

Mr. Bidwell functions as a "$2-broker" (that is, a floor executor of orders for other members) one of 15 exclusively functioning thus; there being about 200 others so acting as part of their activities.

Describing the services a $2-broker gives, Mr. Bidwell depicted his day-to-day short-term attitude as follows: "Now I think, in addition, that one must be a fairly good judge of the market itself. Now, I would not want any people within the confines of this room to think that I am a prognosticator of the market. I never have been. But I do think that I know fairly well what the market will do from hour to hour. What the market will do hour by hour, and that is quite essential for a person handling discretionary orders." Mr. Bidwell estimated that 80-90% of his business is on a discretionary basis; with the $2-brokers generally it is estimated to average about 50% of their business.

And in conceiving of the Stock Exchange's Image, it should be realized that almost a quarter of its total volume consists of members' off-floor and on-floor trading for their own account, the latter including the specialists' trading (part of which is devoted directly to market stabilization).

We offer the foregoing data to show the substantial proportions of the reported Exchange volume which are devoted to the promotion of that allegedly so-important market liquidity—without covering such speculation indicators as short-selling or customers' debit balances.

TRANS-ATLANTIC ITEM

Both the London and New York Stock Exchanges are planning to move, rebuild and expand.

The threat of extra costs in London has instigated the circulation of a petition, signed by 300 out of a 3,500 Exchange membership total, expressing opposition, and urging a referendum.

The motivations of the signatories are characterized by the London *Economist*★ as follows:

"Some signed because, as one nonsignatory put it, 'they'll sign anything'; some because they were genuinely worried about the cost and its effect on their pockets; some because they were disgruntled with the world in general and the state of business in the market in particular; and some, oddly enough, because they felt that this was a back-handed way of protesting against the capital gains tax. Almost all the signatures came from members of small firms. They seem to add up to nothing more than an irrational grouse; but they cannot but irritate those who have the long-term interest of the stock exchange at heart."

★Issue of Jan. 5, 1963; pp. 61-62.

Feder V. P. of Henry Blair & Co.

A. A. Feder, formerly President of Daniel Filer, Inc. has been elected Executive Vice-President and General Manager of Henry Blair & Co., Inc., 40 Exchange Place, New York City, Put & Call Brokers.

Our Dollar's Integrity and The Insurance Industry

By Felix Edgar Wormser, Consulting Mining Engineer, New York City; Former Assistant Secretary of the Interior; Director U.S. Chamber of Commerce; Former Vice-President, St. Joseph Lead Company; Consultant to Economists' National Committee on Monetary Policy, New York City*

The results of our 30 years' experience with managed irredeemable paper currency system are assessed by Mr. Wormser. The writer has had the benefit of considerable international business exposure to our dollar's performance and is well versed on what has taken place domestically. He includes the insurance industry among those businesses most vitally concerned with the integrity of our dollar and its future course. To obtain "the finest currency that mankind has evolved over centuries of hard and bitter experience," Mr. Wormser urges that we return to redeemable gold standard, and declares our gold supply is large enough to meet our credit expansion needs. To paper money managers who maintain that a gold standard is no guarantee against price inflation, the writer cites what has occurred just since 1939. He points out that gold is not intended to keep prices stable, which paper money managers profess to seek, but to introduce a discipline—no doubt irksome to the planners—limiting excessive credit where the mischief lies.

An editorial spread across two pages in *Life* last April and boldly entitled "No Longer the Almighty Dollar" probably gave quite a jolt to readers unfamiliar with the gradual decay in paper money that has persisted for many years. The decay has not left the dollar untouched. I am not speaking of physical decay but of a subtle deterioration in purchasing power and a change in the type of money governments provide their peoples to achieve social ends.

Felix Edgar Wormser

Anyone who travels abroad is bound to notice the kind of money he is handed in exchange for his dollars. On a recent trip around the world, partly in Europe, and largely in the East and Far East, I observed that the most common currency in use in small denominations was paper, generally quite soiled from handling, aluminum (very popular), brass, copper zinc alloy, and some nickel and rarely silver. Never any gold. Most of the silver I saw was not in coins, but adorned the ankles or necks of the women of India. It will be no news to you that for many years the world has drifted away from money made of gold and silver, the nobler metals, to the use of the base metals, and paper, in meeting the currency requirements of its inhabitants. Our own country has gone so far as to make it a criminal offense, with minor exceptions, to own gold coins or bullion, a step that the First National City Bank characterizes as ". . . inconsistent with our tradition of freedom." We do use a considerable amount of silver coins, however. Could it be that the trend away from the nobler to the base metals and paper is a measure of the decline in moral standards among governments today?

Five-Dollar Haircut

The drive to sweep gold under the carpet would be amusing if it were not so unfortunate, or tragic, in its implications. It has given us a paper dollar irredeemable in gold domestically, a kind of money with an unsavory historical record, to say the least, and while, at the moment, we may appear to be doing all right in our economy, I doubt you are particularly happy about the inroads of government in business during the past thirty years and the outlook for more, or the decline in the purchasing power of the dollar. Are we headed for the five-dollar haircut, dollar shore shine, and twenty-five cent daily newspaper? They may not be too far away.

The nearly world wide use of irredeemable paper money is part of the modern economics by which governments control or manipulate money to achieve such popular social objectives as full employment or growth. But governments have difficulty in concealing the actual exchange value of the money they issue, because, invariably, they must deal with other nations and expose their money to the international market place where the entire world can appraise it.

One really doesn't have to be an expert to distinguish good

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Preferred Income

By Dr. Ira U. Cobleigh, *Economist*

A compact consideration of preferred stocks as a vehicle for investment income, together with a list of eight representative issues, selected for above-average current yield.

The preferred stock, except in utility financing, has gotten to be the wallflower of Wall Street. Standing in the twilight zone between the risk and volatility of the common stock and the debt-priority of bonds, this hybrid financial genus had seemed almost on its way to oblivion, in industrial capitalizations, until revived by the spate of mergers in the past three years. Because the acceptance of preferred stock in one company for common stock in another represents a tax-free exchange (unless or until the preferred is sold at a capital gain); and often assures a higher and more dependable cash dividend than the common stock it displaces, preferred stocks are now frequently tailored into merger offers. Cash or bonds, offered as trading "wampum" in a merger, may create an immediate tax liability (capital gain) for the recipient; and corporations enjoy a definite tax advantage by holding preferred stocks rather than debentures.

Thus, in recent major mergers by Cities Service, Newmont Mining and Transamerica, the vehicle used was the preferred stock—in these instances the convertible variety. Increasing use of preferreds in consolidation financing has served, partially, to restore the popularity of preferreds. Many investors, in the past year, dissatisfied with yields on good commons, have been turning to quality preferreds for higher income, coupled with presumed sturdier protection of values in declining markets.

So, for those who have been mulling over the possible usefulness of preferreds for protected income, we've set down, below, eight issues of assorted investment quality and yield, with a brief comment on each.

Issue	Price	Annual Dividend Rate	Yield
Celanese Corporation	90	$4.50	5%
Eastern Gas & Fuel	90	4.50	5%
American Water Works	24	1.25	5.2%
Worthington Corporation	85	4.50	5.3%
Spiegel, Inc.	83	4.50	5.5%
Mack Trucks	46	2.62½	5.7%
U. S. Smelting	61	3.50	5.7%
Hat Corporation of America	40	2.50	6¼%

Celanese Corporation

This company, in recent years, has broadened from a fiber textile company into a quite diversified plastic and chemical operation. Sales, for 1962, (around $310 million) were at an all-time high. Celanese preferred has a quality rating, a faithful record of dividend payment, and is callable at $102. Earnings per share for 1961, available to meet the $4.50 dividend payment, were $22.65. The stock sold at 110¼ in 1952.

Eastern Gas & Fuel

Eastern Gas is a combination investment company, gas utility (Boston Gas Company), coal mining and inland water transportation enterprise. About 55% of company net income comes from ownership of 742,500 shares of Norfolk and Western common. The Boston Gas Company provides about 35% of net, and the balance is derived from commercial operations and earnings from Midland Enterprises, the water transport company. In 1961, company net income was $8.34 million, equal to earnings of $33.85 per share on the $4.50 preferred (redeemable at $105).

American Water Works

This is the holding company for the largest group of non-municipal owned water companies in America, serving 362 communities in 18 states. Latest development was acquisition of another holding company, Northeastern Water Company, in August 1962. American Water Works has, faithfully, paid preferred dividends for over 40 years, and the dividend for the $1.25 issue is earned more than five times over.

Worthington Corporation

This is a highly respected manufacturer of heavy machines (pumps, engines, compressors and turbines) and a leader in heating, air-conditioning and refrigeration equipment. While competitive conditions have reduced net earnings, for 1962, there is plenty of coverage for the preferred dividend. Applicable earnings to cover this $4.50 dividend were $88.63 per share in 1961. The preferred is callable at $105. This preferred has displayed notable price stability for a decade, ranging between a low of 75 and a high of 100¼.

Spiegel, Inc.

Spiegel is a leading mail-order house, distributing a broad assortment of merchandise (predominantly wearing apparel) through catalogs, with a high percentage of business done on credit. It even does a personal loan business, by mail. Sales are at an all-time high. Spiegel preferred is outstanding in the amount of 65,670 shares, and callable at $102.50. The preferred earned over $100 a share in 1961 and is of dependable investment grade.

Mack Trucks, Inc.

Mack is one of the three largest producers of heavy-duty trucks and has long enjoyed a top reputation for quality products. Company has 56 domestic and Canadian sales and service branches, and over 300 distributors, throughout the Free World. Military and foreign business are quite important. Company earnings have been cyclical, but there is excellent coverage for the preferred, which comes ahead of 2,900,000 shares of common, with a book value of $44 a share. Preferred also carries a warrant to buy 0.525 shares of common at $60 to Oct. 1, 1963, and rising prices thereafter.

Hat Corporation of America

Regardless of the tendency of our President to go bareheaded, the hat business is doing quite well. Hat Corporation has expanded from hats (Knox, Dobbs, Cavanagh) into clothing, by acquisition of Fashion Park, Inc. (Stein Bloch clothes). The preferred dividend here was earned six times over, in 1961. The stock is of $50 par value, and callable at $51.25.

United States Smelting

United States Smelting, Refining and Mining Company is a leading producer of silver, lead and zinc. It also has substantial interests in oil and natural gas. This preferred stock is non-callable, and has paid its dividends at the regular rate as, and when, due since 1906. This is quite a remarkable record. Further, the stock is voting stock, and has some value for control purposes. Also, should U. S. Smelting become involved in a merger, an attractive exchange offer might be made because of its non-callability.

The foregoing may provide background for a consideration of preferred issues at this time. For those willing to accept a lower yield, such "converts" as SCM Corp. 5½% preferred (at 103), Newmont Mining $4 preferred (at 95), and Cities Service $4.40 preferred (at 106) might add a speculative "zing" to the portfolio. And, for the patient, waiting for some of the elegant non-callables to descend to a better yield basis might be suggested. U. S. Rubber 8% (now 162), U. S. Steel 7% (now 152), Ingersoll Rand 7% (now 154) would all be splendid values, 20 points lower!

Van Ingen & Co. Elect Exec. V-Ps.

Marquette de Bary and Duncan C. Gray have been elected Executive Vice-Presidents of B. J. Van Ingen & Co. Inc., 40 Wall Street, New York City, according to an announcement by Bernard J. Van Ingen, Jr., President of the 45 year old municipal bond firm. Mr. de Bary will be in charge of syndication, sales and trading, while Mr. Gray's principal responsibilities will be in the fields of financial consulting service, negotiated underwritings and direct placement of securities.

Marquette de Barry Duncan C. Gray

Prior to his retirement as a general partner last Oct. 1, Mr. de Bary was for many years associated with F. S. Smithers & Co. He is a former President of the Municipal Forum of New York and is currently chairman of its liaison committee. He has also been an officer of the Municipal Bond Club.

Mr. Gray joined B. J. Van Ingen & Co. Inc., as a summer employee in 1934 and has spent his entire business career with the firm. He has been closely identified with the financing of many major traffic and hydro-electric revenue bond projects throughout the country. He is currently financial consultant to the City and County of Denver in connection with sewerage and airport financing programs, and he also acts as financial consultant to the Fairfax County Water Authority, Va. Mr. Gray is a former governor of the Municipal Forum of New York.

NY State Bankers Mid-Winter Meeting

The New York State Bankers Association will hold their 35th annual midwinter dinner Jan. 21 at the Waldorf-Astoria Hotel.

A general business session will be held beginning at 10 a.m., with Clarence M. Brobst, Chemung Canal Trust Co., president of the association, presiding. Speakers will be Thomas E. McFarland, Lincoln Rochester Trust Company, George Champion, Chase Manhattan Bank; Dr. Carter Davidson, Union University, who will address the group on "The Future of the Business-Education Partnership"; Lester E. Denonn, Simpson Thacher & Bartlett, who will speak on "The Uniform Commercial Code"; and Henry J. Taylor who will talk on "Looking Ahead at Home and Abroad."

Alfred Hayes, President of the Federal Reserve Bank of New York, will address the luncheon on "Some Stubborn Problems for Central Bank Policy."

The Mid-Winter dinner to be held at 7 p.m. in the Grand Ballroom, will be addressed by James F. Murray, Jr., former member of the New Jersey Senate, on "Politics, Government and the Banker".

Tax-Exempt Bond Market

BY DONALD D. MACKEY

State and municipal bond prices have improved over the past week, although only slightly. The offering side of the market for high grade 20-year general obligation bonds as measured by *The Commercial and Financial Chronicle's* yield Index averages out at about one-eighth of a point better than was the case a week ago. The yields available on our 13 preselected bonds average at 2.943% on Jan. 9 as against 2.953% last week. This extends the market improvement which began in early December subsequent to the rather minor reaction of late November.

Current Conditions Favorable to Higher Prices

On its own, the state and municipal bond market appears quite solidly set. The simple fact is that the market's components seem favorable, from the short view, to further rise. The visible supply of new issues is presently accumulating at a rate which would seem to be lower than the volume financed during the last quarter of 1962 which totaled less than $1,750,000,000. Issues thus far scheduled or tentatively scheduled for the first quarter of 1963 total less than $750,000,000.

Thus, from a supply viewpoint, the municipal bond market is presently very favorably situated. There is, of course, a much heavier volume potential that may likely expand the first quarter volume to an extent close to last year's heavy total.

Should a much heavier calendar develop in the near future it would seem that the market's firm trend could be at least temporarily interrupted to the end that a 10-20 basis point correction might develop. There was this sort of eventuation in May of last year at around the present market level and to a lesser degree this obtained in November at about the same market level under circumstances of only moderate new issue volume.

We point this out to indicate that there is a potential resistance close to the market's present level that seems directly related to new issue volume.

Higher Inventories Being Maintained by Dealers

The inventory situation has not changed much during the past week and thus continues to be ostensibly favorable. The *Blue List* total of state and municipal offerings has been averaging less than $500,000,000 for sometime. Jan. 9 offerings totaled $457,633,707.

We have repeatedly pointed out that the relatively steady market conditions of the past year have encouraged dealers to carry along more tax-exempt bonds than has been traditional. This practice seems likely to expand as the market may be confined to shorter fluctuations by the steadying influences of the Federal Reserve. We believe that the daily average of *Blue List* offerings may soon approach the $750,000,000 area with but little adverse market implication per se.

Historically in Line

We would add, apropos circumstances favorable to the municipal bond market, that the present market level although high from the viewpoint of recent perspective seems at a reasonable level, all factors considered. During early 1959 the market reached the present level and for most of 1958 the market was higher than at present. Prior to June, 1957, the level of prices had been considerably higher than at present for a period reaching back to early 1938. Of course circumstances have varied and even changed in detail but the implications are broad enough to at least, in part, substantiate further upside presumptions.

Strong Competition to Govern Dealings

Without the present Administration's strong convictions concerning low interest rates, and the Treasury's and Federal Reserve's able implementations in this direction, it seems fair to assume that the bond market level would be considerably lower than at present. We are convinced that these policies will prevail despite variations within the economic sphere. Should business tend to improve as the year goes on, and we hope that it does, it appears obvious to us that the money managers will continue to make credit available to an extent necessary, in their opinion, to generate further economic development. A continuously favorable and receptive bond market must be one of their prime considerations, no matter what the commercial demands upon the money market.

Under these circumstances, an extremely competitive bond market seems likely to prevail for the foreseeable future, with periodic set-backs brought about by an overly competitive new issue market. Profit margins will continue slim to the extent that institutional and bank interest down at 10-15 basis points less one-half will continue to represent red figures for the underwriters. We are not pessimistic about our business in the months ahead, but we will repeat that a profitable year will take a deal of doing by most of the dealers.

Recent Awards

The first large issues of 1963 were eagerly sought by underwriters. The initial reception afforded most of these loans by investors is best described as mixed. Bidding continued as competitively as it had been when the calender dried up in the middle of December. Winning bids were hard to come by even by the aggressive.

On Tuesday, Jan. 8, the sale of two important general obligation issues and two smaller loans were of note. The Philadelphia, Pennsylvania School District awarded $15,000,000 Limited Tax (1965-1987) bonds to the account headed jointly by the *First National City Bank* and *Halsey, Stuart & Co., Inc.* at a net interest cost of 2.973%. The runner-up bid, a 2.98% net interest cost, came from the Chase Manhattan Bank and associates. There were four additional bids ranging in interest cost from 2.982% to 3.01% made for this issue.

Other major members of the successful account include Harris Trust and Savings Bank, Goldman, Sachs & Co., Inc., Salomon Brothers & Hutzler, Stone & Webster Securities Corp., R. W. Pressprich & Co., Hornblower & Weeks, Fidelity - Philadelphia Trust Co., Hayden, Stone & Co., Roosevelt & Cross, Inc., First of Michigan Corp and Fidelity Union Trust Co., Newark, New Jersey.

Reoffered to yield from 1.75 in 1965 to 3.20% in 1987, the present balance in account is $5,090,000. However, some explanation in regard to this balance seems in order as a group within the group took all of the $7,150,000 bonds maturing from 1973 to 1983 inclusive and is reoffering these bonds at the original terms. The 1987 maturity carried a 1/20% coupon and was sold presale.

The *First National City Bank* and associates submitted the best bids for eight Oklahoma City, Oklahoma issues totaling $14,950,000. These were various purpose (1965-1988) bonds. The groups bids for these issues, with a variety of coupons, set annual net interest costs ranging from 2.45% to 2.91%.

Associated with the First National City Bank are Continental Illinois National Bank and Trust Co., Wertheim & Co., The First National Bank & Trust Co., Oklahoma City, Barr Brothers & Co., The Marine Trust Co. of Western New York, F. S. Smithers & Co., Hayden, Stone & Co., Inc., Connecticut Bank & Trust Co., Fidelity Union Trust Co., Newark, George B. Gibbons & Co., Inc., Adams, McEntee & Co., Inc., King, Quirk & Co., Inc., Wm. E. Pollock & Co., Inc., the First National Bank, St. Louis, Mo., Robert Winthrop & Co. and Rand & Co.

All of the securities are offered to yield from 1.85% in 1965 to 3.10% in 1988 but coupons are different for each loan. Initial investor demand has been slow, with the present balance in account $11,970,000. A block of $185,000 bonds maturing 1988 carried a 1/10% coupon and were sold pre-sale.

The syndicate led by *Continental Illinois National Bank and*

Continued on page 42

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California, State	3½%	1982	3.25%	3.10%
Connecticut, State	3¾%	1981-1982	3.05%	2.90%
New Jersey Hwy. Auth., Gtd.	3%	1981-1982	3.05%	2.90%
New York, State	3¼%	1981-1982	3.00%	2.85%
Pennsylvania, State	3⅜%	1974-1975	2.65%	2.50%
Delaware, State	2.90%	1981-1982	3.00%	2.85%
New Housing Auth. (N. Y., N. Y.)	3½%	1981-1982	3.10%	2.95%
Los Angeles, California	3¾%	1981-1982	3.30%	3.15%
Baltimore, Maryland	3¼%	1981	3.05%	2.90%
*Cincinnati, Ohio (U.T.)	3½%	1981	3.10%	2.90%
Philadelphia, Pennsylvania	3½%	1981	3.25%	3.10%
*Chicago, Illinois	3¼%	1981	3.25%	3.10%
New York, New York	3%	1980	3.12%	3.07%

January 9, 1963 Index=2.943%

*No apparent availability.

Larger Issues Scheduled For Sale

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

January 10 (Thursday)

Burlington, Vt.	3,260,000	1964-1984	2:00 p.m.
Cook County High S. D. #211, Ill.	2,000,000	1965-1981	7:30 p.m.
Huntington U. F. S. D. No. 1, N. Y.	3,540,000	1963-1990	11:00 a.m.
Memphis, Tenn.	194,200,000	-------	-------

[Expected to be underwritten by a syndicate managed by Lehman Brothers, Blyth & Co., Inc., Kuhn, Loeb & Co. and Equitable Securities Corp.]

Oklahoma Lade Redevelopment Auth., Okla.	8,500,000	1965-2002	2:00 p.m.
Temple Ind. S. D., Tex.	3,000,000	1964-1994	-------

January 14 (Monday)

Burlington Township, N. J.	1,800,000	1964-1983	8:00 p.m.
Hazel Park, Mich.	1,170,000	1964-1992	4:00 p.m.
Madison Co. Comm. Unit S. D., No. 7, Ill.	1,216,000	1964-1983	8:00 p.m.
Wayne Community S. Dist., Mich.	4,800,000	1966-1992	7:30 p.m.

January 15 (Tuesday)

Aldine Indep. Sch. Dist., Texas	1,700,000	1964-1999	7:00 p.m.
Antelope Valley Joint Union High School District, Calif.	1,500,000	1964-1983	9:00 a.m.
Bloomington School City, Ind.	1,100,000	1964-1983	2:00 p.m.
Columbus City Sch. Dist., Ohio	7,850,000	1964-1986	Noon
Ewing Township Sch. Dist., N. J.	3,303,000	1964-1989	8:00 p.m.
Montana State Bd. of Educ.	1,100,000	1964-2001	10:00 a.m.
Montgomery County, Md.	15,740,000	1964-1988	11:00 a.m.
Phoenix, Ariz.	2,000,000	1986-1990	10:00 a.m.
St. Joseph, Mo.	3,000,000	1965-1983	11:00 a.m.
Santa Barbara, Calif.	1,970,000	1964-1983	2:00 p.m.
Santa Monica, Calif.	1,000,000	1964-1973	10:00 a.m.
Suffolk County, Water Auth., N. Y.	5,500,000	1964-2001	Noon
Sunnyvale, Calif.	1,905,000	1964-1978	8:00 p.m.
West St. Paul Ind. SD #197, Minn.	1,190,000	1966-1986	1:00 p.m.

January 16 (Wednesday)

Atherton Comm. S. D., Mich.	1,650,000	1963-1992	8:00 p.m.
Carmel Jr. H. S. Bldg. Corp., Ind.	1,900,000	1965-1987	2:00 p.m.
Greenville, S. C.	3,000,000	1964-1992	Noon
Huntsville, Ala.	5,000,000	1966-1993	2:00 p.m.
Johnstown City Sch. Dist., N. Y.	1,572,000	1964-1983	-------
St. Louis Sch. Dist., Mo.	10,740,000	1964-1983	3:00 p.m.
San Juan, P. R.	9,100,000	1963-1983	11:00 a.m.
Stamford, Conn.	4,125,000	1964-1983	11:00 a.m.
Suffield, Conn.	1,085,000	1964-1983	2:00 p.m.

January 17 (Thursday)

Irving, Texas	1,550,000	1964-1996	11:00 a.m.
Jefferson Par. Sewerage D. #8, La.	1,500,000	1964-1983	2:00 p.m.
Metropolitan Seattle, Wash.	15,000,000	1966-2002	11:00 a.m.
Wyoming, Mich.	2,325,000	1964-2001	8:00 p.m.

January 18 (Friday)

University of Wash. (Seattle)	1,200,000	1964-2001	2:00 p.m.

January 21 (Monday)

Cleveland City Sch. Dist., Ohio	10,000,000	1964-1083	1:00 p.m.
Gallatin County S. D. No. 7, Mont.	2,348,680	1963-1973	8:00 p.m.
Pomona, Calif.	1,100,000	-------	-------

January 22 (Tuesday)

Las Vegas Valley Water Dist., Nev.	6,000,000	1967-1995	2:00 p.m.
Milwaukee, Wis.	12,350,000	1964-1978	10:30 a.m.
Modesto H gh School District, Cal.	1,000,000	1964-1988	10:30 a.m.
Oregon (State of)	37,000,000	1966-1995	10:00 a.m.
Pueblo Water Works Board, Colo.	1,500,000	-------	2:30 p.m.
Pulaski County Co. Spec. SD, Ark.	1,250,000	1963-1971	2:00 p.m.
St. Petersburg, Fla.	5,000,000	-------	-------
Sauk Centre S. D. No. 743, Minn.	1,330,000	1966-1990	4:00 p.m.
Sumter, S. C.	1,000,000	1964-1990	Noon
White Bear Lake Ind. S. D. No. 624, Minnesota	1,500,000	1966-1987	8:00 p.m.

January 23 (Wednesday)

East Carroll Parish Consolidated School District No. 1, La.	1,200,000	1965-1983	9:30 a.m.
Florence, Ala.	2,375,000	1963-1993	2:00 p.m.
Hampton, Va.	4,500,000	1964-1983	Noon
Los Angeles Dept. of Water & Power, Calif.	12,000,000	1964-1993	11:00 a.m.

January 24 (Thursday)

Central Wayne County Sanitary Authority, Mich.	3,620,000	1967-1992	11:00 a.m.
Harris County, Texas	9,600,000	1966-1995	11:00 a.m.
Jefferson Parish Road District & Garbage District, La.	4,250,000	1964-1983	2:00 p.m.
Lafayette, Ind.	1,400,000	1964-1977	Noon
Lafayette Parish, La.	1,500,000	1965-1988	2:00 p.m.

January 28 (Monday)

Central Wash. State College, Wash.	3,325,000	1963-2001	-------
Fla. Dev. Comm., (Talla.), Fla.	1,500,000	1963-1969	2:00 p.m.

January 29 (Tuesday)

Bi-State Dev. Agency Authority (Mo.-Ill.)	25,000,000	-------	-------

[Syndicate headed by John Nuveen & Co. and Stifel, Nicolaus & Co., Inc.]

Colorado River Municipal Water District, Texas	2,750,000	1964-1969	-------
Milwaukee County, Wis.	9,175,000	1964-1983	11:00 a.m.
Opelousas, La.	2,700,000	1964-1992	10:00 a.m.
Ottawa-Glandorf Local S. D., Ohio	1,245,000	-------	-------

This announcement is under no circumstances to be construed as an offering of these bonds for sale or as a solicitation of an offer to buy any of these bonds, and is published in any state on behalf of only such of the underwriters, including the undersigned, as may legally offer these bonds in such state. The offer of these bonds is made only by means of the Official Statement.

NEW ISSUE

$19,000,000
State Public School Building Authority
(Commonwealth of Pennsylvania)
School Lease Revenue Bonds, Series K

Dated November 1, 1962 — Due November 1, 1963-2002 inclusive, as shown below

The Bonds are subject to redemption prior to maturity at the option of the Authority as a whole or in part, in the inverse order of their maturities, on November 1, 1971, or on any date thereafter, or pursuant to the requirements of the Indenture, as supplemented, in part in the inverse order of their maturities on November 1, 1967, or on any date thereafter on 30 days' prior notice, in accordance with the following schedule of prices and dates: at 103 beginning on November 1, 1967 and thereafter to and including October 31, 1970; at 102½ thereafter to and including October 31, 1973; at 102 thereafter to and including October 31, 1976; at 101½ thereafter to and including October 31, 1978; at 101 thereafter to and including October 31, 1980; at 100½ thereafter to and including October 31, 1982; and at 100 thereafter; plus, in each case, accrued interest to the date fixed for redemption.

Principal and semi-annual interest (May 1 and November 1) payable at Mellon National Bank and Trust Company, Pittsburgh, Pennsylvania, or, at the option of the holder at Provident Tradesmens Bank and Trust Company, Philadelphia, Pennsylvania, or at First National City Bank, New York City. Coupon Bonds in the denomination of $1,000, registrable as to principal only or registered Bonds without coupons in the denomination of $1,000 and any integral multiple thereof, interchangeable.

Interest exempt, in the opinion of counsel, from Federal Income Taxes under present statutes and decisions.

The State Public School Building Authority Act of 1947, as amended, provides that the Bonds, their transfer and the income therefrom (including any profits made on the sale thereof), are exempt from taxation, other than inheritance and estate taxation, within the Commonwealth of Pennsylvania.

The Act provides that the Bonds are authorized investments for fiduciaries within the Commonwealth of Pennsylvania.

The Bonds are direct and general obligations of the Authority and all the Bonds issued and to be issued will be secured by the full faith and credit of the Authority, and by the pledge, to the extent provided in the Indenture, as supplemented, of all revenues, rentals and receipts of the Authority, including all rentals payable by School Districts of the Commonwealth of Pennsylvania pursuant to Agreements and Leases and contracts to lease and leases, as said terms are defined in the Indenture, in respect of Projects, as said term is defined in the Indenture, and of all right, title and interest of the Authority in and to said Agreements and Leases and contracts to lease and leases with respect to said Projects, including any amounts payable to the Authority by the Superintendent of Public Instruction of the Commonwealth of Pennsylvania (or person holding similar office) by reason of the failure of any School District to provide for the payment of any rental or rentals to the Authority under said Agreements and Leases and contracts to lease and leases.

Neither the credit nor the taxing power of the Commonwealth of Pennsylvania or any of its School Districts is pledged for the payment of the principal of, or interest on the Bonds; nor shall the Bonds be deemed to be obligations of the Commonwealth or of any of its School Districts; nor shall the Commonwealth or any of its School Districts be liable for the payment of principal or interest on the Bonds.

The Bonds are offered when, as and if issued and received by us and subject to an unqualified approving legal opinion by Messrs. Burgwin, Ruffin, Perry & Pohl, Pittsburgh, Pennsylvania. It is expected that delivery of the Bonds in definitive form will be made on or about February 13, 1963.

Principal Amount	Interest Rate	Due	Yield to Maturity	Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)	Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)
$280,000	4½%	1963	1.50%	$420,000	2.90%	1976	100	$670,000	3.30%	1990	100
190,000	4½	1964	1.65	440,000	2.90	1977	2.95%	695,000	3.30	1991	3.35%
375,000	4½	1965	1.80	455,000	3	1978	100	720,000	3.30	1992	3.35
315,000	4½	1966	1.95	465,000	3	1979	100	745,000	3.40	1993	100
325,000	4½	1967	2.10	480,000	3	1980	3.05	765,000	3.40	1994	100
335,000	4½	1968	2.25	500,000	3.10	1981	100	785,000	3.40	1995	100
340,000	4½	1969	2.40	510,000	3.10	1982	3.15	805,000	3.40	1996	100
355,000	4½	1970	2.50	525,000	3.20	1983	100	830,000	2	1997	3.70
365,000	4½	1971	2.60	545,000	3.20	1984	100	255,000	2	1998	3.70
380,000	4½	1972	2.70	565,000	3¼	1985	100	260,000	2	1999	3.70
390,000	4½	1973	2.75	580,000	3¼	1986	100	260,000	2	2000	3.70
400,000	4½	1974	2.80	605,000	3¼	1987	100	260,000	2	2001	3.70
410,000	3.70	1975	2.85	625,000	3.30	1988	100	130,000	2	2002	3.70
				645,000	3.30	1989	100				

(accrued interest to be added)

For information relating to the State Public School Building Authority and to these bonds, reference is made to the Official Statement of the State Public School Building Authority which should be read prior to any purchase of these bonds. The Official Statement may be obtained in any state from only such of the underwriters, including the undersigned, as may legally offer these bonds in such state.

DREXEL & CO. — HARRIMAN RIPLEY & CO. INCORPORATED — THE FIRST BOSTON CORPORATION — KIDDER, PEABODY & CO.

SMITH, BARNEY & CO. — BLYTH & CO., INC. — LEHMAN BROTHERS — EASTMAN DILLON, UNION SECURITIES & CO.

PHELPS, FENN & CO. — B. J. VAN INGEN & CO. INC. — WHITE, WELD & CO. — ALEX. BROWN & SONS

CARL M. LOEB, RHOADES & CO. — STROUD & COMPANY INCORPORATED — LEE HIGGINSON CORPORATION — F. S. MOSELEY & CO.

YARNALL, BIDDLE & CO. — HEMPHILL, NOYES & CO. — DOMINICK & DOMINICK — W. E. HUTTON & CO. — REYNOLDS & CO., INC.

BACON, WHIPPLE & CO. — A. G. BECKER & CO. INCORPORATED — AMERICAN SECURITIES CORPORATION — FIRST OF MICHIGAN CORPORATION

ROOSEVELT & CROSS INCORPORATED — AUCHINCLOSS, PARKER & REDPATH — COOLEY & COMPANY — STERN, LAUER & CO.

KING, QUIRK & CO. INCORPORATED — KENOWER, MACARTHUR & CO. — TRIPP & CO., INC. — J. B. HANAUER & CO. — BACON, STEVENSON & CO.

ESTABROOK & CO. — SCHMIDT, ROBERTS & PARKE — TUCKER, ANTHONY & R. L. DAY — NEWBURGER, LOEB & CO.

GREEN, ELLIS & ANDERSON — W. H. NEWBOLD'S SON & CO. — STEIN BROS. & BOYCE — RAFFENSPERGER, HUGHES & CO. INCORPORATED

January 10, 1963.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Automotive Parts & Equipment Manufacturers — Memorandum— A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill.

Automotive Shares — Bulletin— Evans & Co., Incorporated, 300 Park Avenue, New York 22, N. Y.

Bank Bond Comment—Bulletin— Wayne Hammer & Co., 105 West Adams Street, Chicago 90, Ill.

Bond—Seventh annual review and outlook, including a discussion of the tax-exempt market in 1962, a review and outlook of the corporate and general money markets; list of 24 obligations of major toll road and bridge facilities, and a discussion of the possibility of a tax cut and what it might mean to the tax-exempt market—Goodbody & Co., Dept. FC-10, 2 Broadway, New York 4, N. Y.

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

Business & Securities — Outlook for 1963 — Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y.

Canadian Mining Stocks for 1963 —Bulletin—Draper Dobie & Company Limited, 25 Adelaide Street, Toronto, Ont., Canada.

Common Stocks—List which appears attractive for 1963—Fahnestock & Co., 65 Broadway, New York 6, N. Y.

Common Stocks for 1963 Portfolios — Diversified list — Hornblower & Weeks, 1 Chase Manhattan Plaza, New York, N. Y. Also available are comments on **Aerospace Stocks, Cincinnati Milling Machine, Dow Chemical, Caterpillar Tractor, J. P. Stevens** and **Celanese.**

Electric Utilities — Bulletin — Edwards & Hanley, 100 North Franklin Street, Hempstead, N. Y.

Five Stocks for 1963 — Brief analyses of **American Motors Corp., General Electric Company, W. R. Grace & Company, Grumman Aircraft Engineering Corp.,** and **Radio Corporation of America,** Eastman Dillon, Union Securities Co., 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are reports on **Berman Leasing Company** and **Maust Coal and Coke Corp.**

Japanese Economy — Report— 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 Market — Review — Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are analyses of **Dai Nippon Spinning Co., Ltd.,** and **Toyo Spinning Co., Ltd.**

Outlook for 1963 — Bulletin — Selected Investments Co., 135 So. La Salle Street, Chicago 3, Ill.

Outlook for 1963—Commentary— Winslow, Cohu & Stetson, Inc., 26 Broadway, New York 4, N. Y. Also available is a bulletin on **Pittsburgh & West Virginia Railroad.**

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

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

Pipelines—Discussion in current issue of "Investors Reader"—Merrill Lynch, Pierce, Fenner & Smith Incorporated, 70 Pine St., New York 5, N. Y. Also in the same issue are comments on **American Distilling Company, Welch Scientific Company, Purolater, Inc., Drackett Company, First National Bank of Miami, American Telephone & Telegraph Co., McGraw Edison Company, Utah Construction & Mining Company, Chrysler International,** and **Hendersons Portion Pak Inc.**

Portfolio — Suggestions — Harris, Upham & Co., 120 Broadway, New York 5, N. Y. Also available are reports on **Gulf Oil Corp.** and **Hewlett Packard Co.**

Railroad Stocks — Bulletin on issues for appreciation — H. Hentz & Co., New York 5, N. Y. Also available is a report on **Railroad Merger** developments.

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

Steel Industry — Review — Calvin Bullock Limited, 1 Wall Street, New York 5, N. Y.

Steel Mill Equipment Makers— Report — Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is a report on **Texaco Inc.** and memoranda on **Blaw Knox, Mesta Machine** and **United Engineering & Foundry.**

Stocks for the New Year—Brief comments on seven issues which appear interesting—Watling, Lerchen & Co., Ford Building, Detroit 26, Mich.

Stocks for 1963—Memorandum— Shields & Company, 44 Wall St., New York 5, N. Y.

U. S. & World Sugar Markets— Report — Lamborn & Company, Inc., 99 Wall Street, New York 5, N. Y.

Visual Communications — Memorandum—Irving Weis & Co., 66 Beaver Street, New York 4, N. Y.

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Aluminum Co. of America—Survey — Newburger & Company, 1401 Walnut Street, Philadelphia 2, Pa. Also available are surveys of **American Sugar Refining, Eurofund, Inc., Federal Mogul Bower Bearings, National Tea, A. E. Staley Manufacturing** and **Yale & Towne.**

American Can Co. — Report — Courts & Co., 11 Marietta Street N.W., Atlanta 1, Ga.

American Metal Climax, Inc.— Bulletin — Mitchum, Jones & Templeton, Inc., 650 South Spring Street, Los Angeles 14, Calif. Also available is an analysis of **Interstate Hosts, Inc.**

American Motorists Insurance Co. —Analysis—Cartwright, Valleau & Co., Board of Trade Building, Chicago 4, Ill.

American Telephone & Telegraph — Memorandum — Oppenheimer, Newborg & Neu, 120 Broadway, New York 5, N. Y. Also available are memoranda on **Jones & Laughlin, Libbey Owens Ford,** and **Northern Pacific.**

Beech Aircraft Corp. — Review— L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y. Also available is a review of **Scott, Foresman & Co.**

Bendix Corporation — Survey — Colby & Company, Inc., 85 State Street, Boston 9, Mass. Also available are comments on **Gamble Skogmo,** and **Western Pacific.**

California Water & Telephone— Analysis—Walston & Co., Inc., 265 Montgomery Street, San Francisco 4, Calif. Also available is an analysis of **Pacific Gas Transmission Company.**

Central & South West — Memorandum—Cohen, Simonson & Co., 19 Rector Street, New York 6, N. Y. Also available are memoranda on **Flintkote, Hayes Industries, May Department Stores, Montgomery Ward** and **Thompson Ramo Wooldridge.**

E. I. Du Pont — Memorandum — Reuben Rose & Co., 115 Broadway, New York 6, N. Y. Also available are memoranda on **General Plywood** and **Eastern Gas & Fuel Associates.**

Gibson Greeting Cards, Incorporated—Special Report—Rauscher, Pierce & Co., Inc., First City National Bank Building, Houston 2, Texas.

Gulf American Land — Memorandum — Edward N. Siegler & Co., East Ohio Building, Cleveland 14, Ohio.

Hallicrafters — Memorandum — Sincere and Company, 208 South La Salle Street, Chicago 4, Ill.

M. A. Hanna Company—Analysis —Bacon, Whipple & Co., 135 South La Salle Street, Chicago 3, Ill.

Heyden Newport Chemical— Technical bulletin—Joseph Mayr & Company, 50 Broadway, New York 4, N. Y.

Lehn & Fink Products Corp.— Analysis—Sutro Bros. & Co., 80 Pine Street, New York 5, N. Y. Also available are a list of selected stocks for various objectives.

Major Pool Equipment Corporation—Report—Hill, Thompson & Co., Inc., 70 Wall Street, New York 5, N. Y.

Miles Laboratories—Memorandum —Pershing & Co., 120 Broadway, New York 5, N. Y.

Mine Safety Appliances Company —Report—Jamieson & Company, Torrey Building, Duluth 2, Minn.

Moore Products Co. — Analysis— Parrish & Co., 40 Wall Street, New York 5, N. Y.

Ohio State Life Insurance Co.— Memorandum — Parker, Ford & Co., Vaughn Building, Dallas 1, Texas.

Pan American World Airways— Bulletin — Purcell & Co., 50 Broadway, New York 4, N. Y. Also available is a bulletin on **Textron Inc.** and memoranda on **Lockheed Aircraft, Olin Mathieson Chemical** and **Royal Dutch Petroleum.**

Peter Paul—Memorandum— Hincks Bros. & Co., Inc., 872 Main Street, Bridgeport 3, Conn.

Reynolds Tobacco Co. — Memorandum—Coggeshall & Hicks, 111 Broadway, New York 6, N. Y.

SCM—Memorandum—Josephthal & Co., 120 Broadway, New York 5, N. Y.

Simplicity Manufacturing Company — Analysis — Loewi & Co. Incorporated, 225 East Mason St., Milwaukee 2, Wis.

Standard Oil Company of California—Bulletin—Schweickart & Co., 29 Broadway, New York 6, N. Y.

Steel Improvement & Forge Company — Analysis — Fulton, Reid & Co., Inc., East Ohio Building, Cleveland 14, Ohio.

Thalhimer Brothers Inc.—Memorandum—Craigie & Co., 616 Market Street, East Richmond 15, Va.

Transamerica Corporation — Detailed analysis — Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif. Also available is a memorandum on **Lucky Stores Inc.**

United Financial — Memorandum —Spingarn, Heine & Co., 37 Wall Street, New York 5, N. Y.

United States Leasing Corporation —Study—Schwabacher & Co., 100 Montgomery Street, San Francisco 4, Calif.

Westinghouse Electric Corp.—Discussion — Amott, Baker & Co., Incorporated, 150 Broadway, New York 38, N. Y. Also available are comments on **United Utilities.**

Reed Pres. of Axe Securities

S. Chadwick Reed has been elected President of Axe Securities Corp., 15 William Street, New York, and 409 Benedict Avenue, Tarrytown,


S. Chadwick Reed


Ruth Houghton Axe

it has been announced. The company is the national distributor of the five Axe-Houghton funds.

Mr. Reed succeeds Mrs. Ruth Houghton Axe, who becomes Chairman of the Board.

He is a graduate of Wesleyan University and Yale Law School and attended the Harvard Graduate School of Business Administration. He has taught economics at Yale and Rutgers Universities. From 1956 to 1961, he was a correspondent for The Economist, London, England; he is presently a consultant to The Economist Intelligence Unit. During World War II, he served as a naval officer.

For the last five years, he has been Vice-President of Hare's Ltd. and its successor, Channing Service Corporation.

J. S. Strauss Opens Branch in Boston

BOSTON, Mass.—J. S. Strauss & Co., of San Francisco, has announced the opening of a branch office in Boston—its second within a year. The firm opened a Chicago office last April.

The Boston office, located at 141 Milk Street, will be under the management of Edward J. McCabe, Jr. Associated with him will be Griffin S. Fallon, Jr. Mr. Fallon was formerly with Goodbody & Co.

J. S. Strauss & Co. specializes in trading blocks of bank, utility and industrial common stocks. It has direct wire services to correspondents in New York, Dallas, Los Angeles and Seattle.

FROM WASHINGTON . . . Ahead of the News

BY CARLISLE BARGERON

Organized labor by its actions is "asking" for some remedial legislation to curb strikes which harm, to a major degree, public and national interests. This is not new. Automobile and steel strikes in recent years have contributed their full share to depressing the national economy and causing burdensome losses to millions of people. Today a longshoremen's strike has crippled and halted shipping from Maine to Florida and all across the Gulf of Mexico. The daily newspapers in two great cities have been completely shut down by strikes for several weeks. The railroad unions have threatened a national strike if the recommendations of the President's committee against featherbedding are put into effect.

President Kennedy appointed as Secretary of Labor Arthur J. Goldberg who had been an outstanding attorney for labor unions and it appeared for a time that labor-management relations had improved. Largely through Mr. Goldberg's effort, an agreement for a new contract was entered into by the steelworkers. There was nothing in the contract relating to steel prices. When U. S. Steel announced an increase in prices, saying it was needed in view of the increase in labor costs, the President jumped with both feet on the head of the steel company, and the Department of Justice, headed by the President's brother, threatened anti-trust suits. The immediate effect was a withdrawal of price increase by the U. S. Steel and the other companies. Mr. Goldberg is now an associate of the Supreme Court.

President Kennedy has still to take such action against the labor unions or to denounce any of them as he denounced the steel companies. He has, it is true, made use of the Taft-Hartley Act's provisions to postpone strikes for 80 days, a so-called cooling off period. And he has urged that labor unions as well as management use self-restraint in their relations. But he has not tongue lashed any labor union nor used the great influence of the Presidential office to get it to go back to work.

What will the President do in the 88th Congress, if anything, to alleviate the situation by strengthening the labor laws, putting more teeth into the Taft-Hartley Act, which certainly needs improvement. An outraged Congress — because of labor union excesses — in 1947 passed the Taft-Hartley Act. That was practically 16 years ago. Mr. Kennedy serving his first term in Congress opposed the bill and since that time has had the active support of the unions in every campaign he has waged. He has expressed again and again his gratitude to the unions for this support.

When he was addressing the National Association of Manufacturers a year ago, he said he realized he was not among his friends and, a few days later, speaking to the American Federation of Labor he recognized that he was among friends.

His attitude today will determine whether there will be any strengthening of the Taft-Hartley Act and the chances are against it. There is considerable feeling in Congress for some improvement, but a realization that it will be futile without the President's active support.

There is the realization on Mr. Kennedy's part that he has lost ground in the South, so he doesn't want to do anything to endanger the support of organized labor.

One thing that might change this would be a nationwide railroad strike. That might outrage the country to such an extent that the President and Congress would be forced to take action.

Kean, Taylor Co. Admits Beyfuss

Kean, Taylor & Co., 70 Pine St., New York City, dealers in municipal bonds, has admitted Andrew J. Beyfuss to partnership in the firm.

N. Y. Telephone Bonds Offered

Public offering of $70,000,000 New York Telephone Co. 4¼% refunding mortgage bonds due Jan. 1, 2000 is being made by an underwriting group managed by Halsey, Stuart & Co. Inc., New York. The bonds are priced at 100.75% and accrued interest, to yield 4.21%.

The group was awarded the issue at competitive sale Jan. 7, on a bid of 100.08%.

New York Telephone will apply the proceeds from the offering toward the repayment of borrowings from banks which are expected to approximate $135,000,000 at the time the proceeds are received. Borrowings from banks are obtained, as the need arises, for general corporate purposes including extensions, additions and improvements to the company's plant.

The bonds are not redeemable prior to Jan. 1, 1968, on and after which date they may be redeemed at the option of the company at prices ranging from 104.75% to 100%, plus accrued interest.

Operating revenues in the nine months ended Sept. 30, 1962 totaled $871,561,000 and net income was $110,105,000. Fixed charges during the period were earned 9.32 times.

Tax Reduction May Come Too Late to Affect 1963

By Dr. Leslie Peacock,* *Secretary, Economic Policy Committee, American Bankers Association, New York City*

Economist for American bankers doubts speedy tax action will take place. Moreover, he holds it may not eventuate in time to have much of an effect upon 1963 especially if coupled to tax reform and loophole-closing. Dr. Peacock uncovers short and long run factors controlling monetary and fiscal action. He expects, for example, underlying Federal policy will concentrate more on the economy's long range potential than has been generally the case, and suspects government spending will be of greater importance than tax cuts as a factor in the short run outlook. The economist estimate a $12 billion tax revenue loss in fiscal 1963 if taxes were cut $8 billion and made retroactive to Jan. 1, 1963; expects progression to lower rates of taxes will be made gradually; and warns of non-inflationary difficulties facing debt-management.

It is virtually certain that Federal financial policies over the next year or so will be directed toward stimulating the economy to higher levels of output. The short-term prospects for achieving a level of resource utilization which would require monetary and fiscal restraint—or, for that matter, even relative neutrality—are clearly remote. The real question is not the direction of Federal financial policies, therefore, but the degree of stimulus which is likely to be provided and, within the framework of an expansive program, the respective roles which are assigned to monetary policy, Federal spending, tax policy, and debt management.

Dr. L. E. Peacock

In formulating financial policy during the year ahead, Federal officials will be observing groundrules which are somewhat different from those which have prevailed in some earlier years. First, our international financial position carries fairly clear implications for the types of expansive policies which can, and those which cannot, be considered as prudent. Thus, the traditional postwar response to economic sluggishness—the combination of expanded Federal outlays and an intensification of monetary ease—cannot be accepted under existing circumstances. Recognition that the "mix" of policy instruments in 1963 is certain to reflect consideration of our international financial position provides valuable clues as to the probable course of both monetary and fiscal policy in the year ahead.

Second, the underlying emphasis in devising Federal financial policies for 1963 and beyond will be concentrated, to a much greater extent than in earlier years, on means of enhancing the economy's longer-range growth potential. Such emphasis, in contrast with the more traditional emphasis on providing short-term stimulus, also carries implications for the way in which monetary policy, fiscal policy, and debt management are likely to be integrated within the framework of an expansive program.

Fiscal Policy

As between fiscal and monetary policy, it is clear that the former will be required to provide most, if not all, of the expansive influence created by Government financial policies in 1963. Our balance of payments position argues persuasively against any further easing in monetary policy as an economic stimulant, and emphasis on devising long-range growth stimulants also suggests that attention will be centered—or, at least should be centered—primarily on nonmonetary factors.

Within the areas of fiscal policy, the possibilities narrow down to increased spending, a tax cut, or (what is perhaps more likely) a combination of the two. The President has announced his decision to propose a tax cut when the new Congress convenes, and Administration spokesmen also have indicated that further increases in Federal spending are considered inevitable. Consequently, the uncertainty is confined to the amount of the expenditure increase and to the magnitude, structural characteristics, and fate of the President's tax-cut proposal.

Although the possibility of a tax cut has dominated most of the discussions of Government economic policy in 1963, it could well be that developments with respect to Federal spending will exercise a more important short-term influence on business conditions. The prospects for achieving speedy Congressional action on any tax-cut proposal would appear to be slim, and it seems probable that final action might be delayed until late in the Congressional session. Particularly if tax-rate reduction is coupled with reform or the elimination of so-called loopholes, it is extremely doubtful whether tax changes could be enacted in time to have a significant impact on next year's business conditions. In this connection, it may be noted that favorable consumer, investor, and business responses cannot be expected until after the proposal becomes law.

On the other hand, it is not difficult to see how the President's proposal itself could dampen business and investor confidence if, by virtue of its structure, timing, or magnitude, it is deemed to be inconsistent with our international financial security or the requirements for long-range growth. At this stage, it must be assumed that this eventuality will not occur. Thus, it may be concluded that the "announcement" effects of the President's tax proposal will be mild at best, and it seems likely that final action on the proposal may come too late to have a real bearing on business conditions in 1963.

Tax-Cut-Timing

In view of the timeliness of tax-reduction as a topic of economic discussion (and also because the chances for relatively prompt Congressional action on the President's proposal cannot be dismissed completely), a few additional remarks may be in order. With respect to the timing of the rate-reduction, it is virtually certain that the progression to lower rates will have to be stretched out over a period of at least two years. Even with rate reductions made retroactive to January 1, 1963, the impact on the Federal budget of a significant tax reduction would be concentrated largely in the 1964 fiscal year. In fact, if a tax-reduction should be passed after midyear, the 1964 budget apparently would have to reflect revenue losses for roughly a year and a half. Thus, the effects of an $8-billion tax cut retroactive to Jan. 1, 1963, could be a revenue loss in the 1964 fiscal year of nearer $12 billion. Such a loss would pose severe problems for debt management authorities and monetary officials, as well as create critical pressure on international confidence in the dollar and on domestic business and investor confidence.

If it can be assumed that the emphasis underlying the Administration's plans for tax revision is on long-range effectiveness in promoting economic growth rather than on a short-term bolstering of the economy, there is further reason for expecting that the progression to lower rates of taxes will be made gradual. This same assumption with respect to the emphasis underlying the proposal for tax reduction also supports the conclusion that the structure of the proposed reductions will reflect recognition of the need for substantial relief in upper income brackets and in corporate tax rates. If this is not the case, and if the approach to tax reductions reflects inordinate emphasis on promoting economic growth by stimulating consumption expenditures, both the short-run effects and the longer-run consequences are likely to be unfavorable.

As noted earlier, the level of Federal spending in 1963 may well be of more immediate concern than tax reduction as a factor in the shorter-term economic outlook. Budget expenditures for the current fiscal year are estimated at $93.7 billion, or $6.0 billion above the preceding year's total, and this year's budget deficit is estimated at $7.8 billion. Federal spending continues to rise currently, further increases in outlays appear in prospect for defense purposes, and the legislative program to be submitted next month is certain to include new spending programs. These factors, plus recent observations by Administration officials that a growing population and the Cold War environment make rising expenditures inevitable, suggest clearly that a higher level of Federal spending is in prospect for 1963.

There is reason to believe, however, that the increase may be considerably smaller than the $6-billion gain being recorded this year. Of primary importance is the fact that rising outlays will reduce the Administration's chances of securing desirable tax legislation—the chances varying inversely with the expenditure increase Moreover, Federal officials must be cognizant of international financial opinion in planning financial policies, and the prevailing view suggests the need for considerable caution in resorting to Federal expenditure increases as an economic stimulus. Under the circumstances, it is unlikely that the level of Government spending will rise by more than $3 or $4 billion. This is a large sum in relation to the budget deficit already in prospect; it is a large sum to be absorbed by money and capital markets, and it is large to the debt management authorities who must secure its placement. Nevertheless, it is small in relation to a $554-billion economy, and its stimulating effects are likely to be nominal at best.

It should be noted, in passing, that pressures for rising Federal expenditures could grow quite rapidly if domestic economic conditions showed definite signs of deterioration before final action on the tax proposal could be achieved. The development of these circumstances, in fact, could pose a serious threat to the prospects for either tax reduction or a leveling of Federal expenditures.

Debt Management

The budget deficit in prospect for the fiscal year is $7.8 billion, and even without allowing for the effects of a tax reduction the chances of reducing the deficit in fiscal 1964 are not good. The difficulties posed for debt management officials are obvious.

The principal task for debt management authorities in 1963 will be to secure a noninflationary placement of new and maturing debt. In effect, this means that the Treasury must tailor its securities specifically to meet the requirements of individuals and institutional investors seeking outlets for genuine savings funds. Because of the dangers which would attend excessive monetary expansion, sales of short-term securities to commercial banks—thereby promoting increases in bank credit and the money supply—carefully must be limited. As a practical matter, the Treasury undoubtedly will continue to use the volume of its short-term offerings as a device for maintaining domestic money market rates of interest at levels which are competitive with those in foreign financial centers. Aside from this consideration, however, its emphasis is likely to be on the maximum tapping of markets for long-term funds. This is notwithstanding the fact that advance refunding operations conducted earlier this year reduced the problem of congestion in the nearer-term maturity ranges.

As an independent factor in money and capital markets, Government deficits inevitably add to the volume of credit demand and produce upward pressures on interest rates. These pressures will again be present in 1963, and the importance of securing noninflationary placement of the debt suggests that their impact may be concentrated to a greater extent in the longer-term sector of the maturity range.

Monetary Policy

As in the past two years, monetary authorities in 1963 will be faced with the task of reconciling the objective of providing a credit environment conducive to domestic growth with the necessity—stemming from our international payments position—for limiting the rate of monetary expansion and promoting relative firmness in the level of short-term interest rates. While the freedom of action of Federal Reserve officials may be affected significantly by interest-rate developments in foreign financial centers in 1963, the best guess appears to be that monetary policy will remain substantially unchanged from the present. Monetary authorities already have implied that they will not use credit creation as a means of offsetting upward interest-rate pressures which might stem from heavier deficit spending by the Federal Government. It is true, of course, that the heavy flow of genuine savings into commercial banks will make it possible for them to participate generously in new Treasury offerings without the inflationary effects ordinarily associated with bank acquisitions of public debt. To the extent that these savings flows enable banks to acquire new Government securities, the Fed is not likely to interfere. Its basic position can be expected to remain, however, in opposition to monetary expansion as a means of Treasury debt placement.

Just as an appreciable easing of monetary policy can be ruled out because of our international financial vulnerabilities, it also seems unlikely that domestic economic conditions will show the kind of resurgence which would warrant a tightening of the credit screws. The outlook, consequently, is for a monetary policy of relative neutrality—one which allows rising credit demands, whether from the public or the private sector of the economy, to be reflected in upward adjustments in market rates of interest. Should the early action on a tax cut produce a sharp increase in deficit financing, these upward adjustments could be significant ones.

*Text of Dr. Peacock's statement at the Business Outlook Conference for the first half of 1963 sponsored by the Chamber of Commerce of the United States, Washington, D. C.

$250 Million Treasury Bonds Publicly Offered

C. J. Devine & Co., Salomon Brothers & Hutzler, Bankers Trust Company, The Chase Manhattan Bank, The First National City Bank of New York, Chemical Bank New York Trust Company and The First National Bank of Chicago announce that they are joint managers of a group that offered publicly on Jan. 8 an issue of $250,000,000 The United States of America 4% Treasury bonds of 1988-93 at 100%.

This is the first sale of Treasury bonds to an underwriter on the basis of competitive bidding for reoffering to the public. The Treasury announced last September its intention to test this new technique. The successful bidder is required to make a bona fide reoffering of all of the bonds to the investing public in order to obtain the broadest possible interest in and distribution of the bonds. The Treasury also hopes to create a more competitive market for long-term Treasury securities.

The bonds, which are dated Jan. 17, 1963, will mature on Feb. 15, 1993 but may be called for payment on or after Feb. 15, 1988, at par and accrued interest.

American Business Needs Better SBIC Opportunities

By Hon. Wright Patman,* *Representative (D.—Tex.), United States Congress and Chairman, Joint Economic Committee*

Representative Patman clearly specifies measures he favors to assist small business growth. Moreover, he warns SBIC's not to expect any increase in the size of the firms they can invest in until they show a better record of financing smaller firms. Turning to the economy's health, Chairman Patman opposes a corporate income tax cut on the grounds that it would be tantamount to a price level increase without an increase in personal income. Instead, he advocates interchanging the normal corporate income tax rate with surtax rate and even increasing the surtax exemption; raising personal income tax exemption to $800; and lowering long-term interest rates. The Congressman wants better antitrust laws and enforcement; notes net income per sales dollar varies directly with firms size; castigates Federal discrimination against small firms in contract awards; and recommends making new technology available to small business units as well as big firms.

It seems to me what business needs is not a corporate tax cut but more business—a larger volume of sales.

Either of two steps by the Federal Government would help to stimulate business.

Hon. Wright Patman

First, a personal income cut, particularly for the lower income families, stimulate consumer sales, increase business profits, increase the use of business capacity and, accordingly, lay a rational basis for increased investment in new capacity.

Second, a lower interest rate policy by the Federal Reserve, particularly as to long-term interest rates, would accomplish the same things, although through a different sequence of events. Lower long-term interest rates would stimulate investment, especially in the housing and construction industry, which now provides the largest unmber of jobs of any industry in the country.

Opposes Corporate Tax Cut

One of the basic causes of high unemployment and low capacity utilization is that prices are too high, on the average, relative to personal incomes. If this were not so, we could not have large amounts of unemployment and idle productive capacity. That is the proof of the pudding on that. A corporate tax cut at this time would, then, have the same effect on our domestic economy as an increase in the price level without an increase in personal incomes. Thus a corporate tax cut under these circumstances hurt employment, production and purchasing power.

As you know, an argument is being made that a further reduction in corporate taxes would increase business investment, because it would provide corporations with more funds to invest. But the argument overlooks the fact that corporations as a whole are already receiving more net income, after taxes, than they are using both for paying dividends and investment in new plant and business equipment. 1961 was, of course, not a particularly good year for business. Only about 82% of the Nation's productive capacity was utilized, according to the Federal Reserve Board, and almost 7% of the Nation's labor force was unemployed. Even so, cash corporate income, after taxes, of $48 billion last year was the greatest in history. Furthermore, out of this $48 billion, the corporations covered their entire investment in new plant and equipment—amounting to $29½ billion—paid out $15 billion in dividends, and still had $3½ billion of cash left over for investment in government securities, making loans to consumers and unincorporated firms, and so on.

It's a little absurd to think you can force the corporations to build more productive capacity or invest more in new equipment, merely by giving them a larger share of the national income in the hope of flooding them with more funds. Even if this succeeded in giving the corporations more funds—and I think it would do the opposite—corporate managers are not in the habit of investing in new plant and equipment when there are large amounts of idle capacity and no foreseeable markets for the goods and services that the new capacity is to produce.

For this you cannot blame them. We would have a very poor business system indeed if corporate managers invested in new capacity willy-nilly, without respect to whether there is adequate demand for the products of the new capacity.

Increase Personal Income Exemption to $800

President Kennedy has stated that he will recommend tax reductions early in the new Congress, and we can be sure that a recommendation for tax cuts of one kind or another will be forthcoming. In this case, I would like to see the Administration recommend two-step legislation of this kind: The first step, to raise the personal income tax exemption to $800, to be effective January 1; the second step, to deal with the Administration's recommendations for further adjustments in both personal and corporate taxes, and also with its recommendations for reforms and loophole closings.

An increase in the personal income tax exemption would provide an immediate stimulus to the economy. It might increase tax revenues sufficiently, by the time Congress completes a long wrangle over tax reforms, that we can then afford another reduction for corporations and high-income families.

Raising the personal exemption would increase after-tax incomes of all families. But it would be particularly helpful to the low and middle income families, who spend substantially all of their incomes on the necessities of life. It would help most of all those families who are sending children to school or are supporting aged relatives. The personal income tax exemption has not been restored to its pre-World War II level; and since the war, it has not been increased in step with the cost of living. If the exemption were increased only by the increased lost of living since 1948—the latest year in which it was adjusted upward—the exemption would now be increased $750 on this basis alone.

Small Business Plight

The fact that the corporate sector as a whole is quite prosperous does not mean, of course, that all business firms, and all sizes of business firms, are doing equally as well. On the contrary, the giants of American industry are the highly prosperous firms, while the more typical status of smaller firms is one ranging from less prosperous to impending bankruptcy. Small firms generally are not able to finance from retained earnings all of the investment they would like to make in new plant and equipment.

Looking at the after-tax incomes of the manufacturing corporations (which are the only kind for which we have size data) we find that last year the bigger the corporation, the bigger the net income per sales dollar—or, conversely, the smaller the corporation, the smaller the after-tax income per sales dollar.

The super-giants, with more than $1 billion of assets, had net incomes, after taxes, amounting to 14% of sales.

Companies with between $100 million and $250 million of assets had net incomes amounting to 7.2% of sales.

Corporations with between $25 million and $50 million of assets had net incomes amounting to 6.6% of sales.

Those with between $5 million and $10 million of assets had net incomes amounting to 5% of sales.

The smallest size class—those firms with under $1 million of assets, had net incomes amounting to only 3.3% of sales.

In short, I must acknowledge that the small business is not doing too well. This is, of course, a matter of utmost importance to the SBIC's since its business is to finance small businesses.

No Subsidy to Small Business

The Small Business Investment Act giving as it does special tax concessions to the SBIC's, making Federal loans available to SBIC's where needed, and offering them other incentives was never intended to assist the kind of investment house that keeps its funds in government bonds or guaranteed securities. On the other hand, neither is the legislation intended to subsidize small firms. SBIC's are not expected to make loans or investments in a small firm merely because it is small. On the contrary, Congress expects that the SBIC's will seek out for investment small firms with good profit prospects or good growth prospects and that you will naturally turn down those firms which do not offer good profit or growth prospects.

The very reason for the legislation to encourage privately-owned

Continued on page 39

Bible of Economic Indicators Issued

Senator Proxmire releases 126-page biennial supplement to "Economic Indicators" containing substantial improvements and revisions. Data offer complete coverage from 1929-1961, inclusive.

Senator William Proxmire (D., Wisc.), Chairman of the Subcommittee on Economic Statistics of the Joint Economic Committee, recently released the *1962 Supplement to Economic Indicators*. This new edition of the Committee's biennial publication incorporates substantial changes and improvements conforming to the 1962 revisions in the monthly *Economic Indicators*. The revisions were incorporated in the November, 1962 and subsequent issues.

The monthly *Indicators* brings up-to-date economic information quickly to the attention of the members of the Joint Economic Committee, to other Members of Congress, and to approximately 10,000 users who subscribe to this publication through the Government Printing Office. The background materials necessary for proper interpretation of the monthly series are presented, as far as possible in nontechnical language, in the 126-page Supplement. The Supplement includes descriptions of the statistical series in the monthly Indicators and discussions of the procedures followed in preparing each series, their uses and limitations. The Supplement is revised every other year, the last revision having been issued in December, 1960.

Improvements Made

Improvements made in both the 1962 Supplement and the monthly Indicators include additional information on the internal sources of funds for corporations; on business investment; on unemployment rates for experienced wage and salary workers, married men, and labor force time lost through both unemployment and involuntary part-time work; on housing and its financing; on exports, imports, and the balance of payments; and on stock yields and earnings. Two completely new tables have been added: one provides measures of selected liquid assets held by the public; the other reports details of the Federal budget receipts and expenditures on a national income accounts basis.

In addition to these specific changes there has been a general revision. The number of pages in *Economic Indicators* has been expanded from 36 to 40 pages; the make-up has been rearranged to provide room for a substantial expansion in coverage; and the back page has been set up so as to permit processing on automatic mailing equipment—this speeds up the delivery each month to those receiving Indicators by mail. Also, as in the last revision of *Economic Indicators*, there has been increased emphasis on seasonally adjusted series which are used wherever possible. In addition to these changes affecting both the monthly Indicators and the 1962 Supplement, the latter has been rewritten to reflect the latest changes in practices by the various statistical agencies. Some charts have been added and descriptive materials and tables have been added wherever a new series or new pages were added to the monthly Indicators.

Coverage Complete to 1929

In accordance with previous practice, the monthly Indicators tends to cover only the recent years, showing the last few months in either monthly or quarterly detail. The charts in the monthly publication generally cover about seven years, up to and including the current year. The Supplement, on the other hand, shows in its tables annual data going back whenever possible to 1929. The latest data shown are generally for the full year 1961. Charts are provided giving a quick picture of past economic trends for a number of series, and wherever possible these are plotted as seasonally adjusted monthly or quarterly values.

The monthly *Economic Indicators* is prepared for the Joint Economic Committee by the Council of Economic Advisers. The *1962 Supplement to Economic Indicators* was prepared for the Committee by the Office of Statistical Standards, Bureau of the Budget. Agencies responsible for the primary collection and presentation of the data cooperate extensively in producing both publications.

Although prepared primarily for the Joint Economic Committee and the Congress, both publications are made available to the general public through the Superintendent of Documents, Government Printing Office, Washington 25, D. C. The monthly *Economic Indicators* is available at 25 cents a single copy or by subscription at $2.50 per year (foreign $3.50). The *1962 Supplement to Economic Indicators* is available at 65 cents a copy.

Philips, Appel To Admit Partner

On Jan. 17, Amos Schuchman will be admitted to partnership in Philips, Appel & Walden, 115 Broadway, New York City, members of the New York Stock Exchange.

The Case For and Against Exchange Guarantees

By Paul Einzig

Dr. Einzig sees no point in guaranteeing the dollar and sterling against devaluation to increase the confidence of the holders of two reserve currencies to retain them in their official reserve balances. The economist briefly reviews Britain's uphappy experience with dollar guarantees; and the successful practices by various countries engaging in: forward exchange operations, reciprocal currency swap agreements, and borrowing abroad in terms of foreign currencies. Between offering exchange guarantees and borrowing abroad in terms of foreign currency, Dr. Einzig votes in favor of the latter.

LONDON, England — There has been much discussion during the last year or two whether tne golu value of exchange value of official holdings of the two reserve currencies, dollar and sterling, should be guaranteed by the United States Government and the British Government respectively. The Central Banks or Treasuries holding these currencies were reluctant to increase their reserves or even maintain them during periods of adverse pressure on these currencies for fear that in case of their devaluation heavy financial losses would be incurred. Yet they were fully aware that, were they all to convert their holdings of dollars or sterling into gold, or transfer them into currencies which for the moment looked safer than dollar or sterling, the result might well be disastrous. But they felt that if the U. S. or British Governments were anxious to retain official foreign balances it was for those governments to assume the risk attached to the possibility of a devaluation of their own currency. After all, the government concerned was in a better position to know than any other monetary authority whether it was likely to devalue.

Main Argument

The main argument against granting such guarantees was that if the amount involved was too large the resulting loss arising from an unforeseen devaluation would deprive the government concerned of a great part of the advantages derived from a devaluation. Usually a country which is forced to devalue its currency gains thereby a breathing space during which to put its house in order. The bookkeeping profit on its gold and foreign exchange reserve goes a long way toward strengthening its technical position. By guaranteeing official holdings of its currency a large part of that profit would be sacrificed.

In any case, once the principle of granting such a guarantee is conceded there is bound to be strong pressure in favor of extending similar guarantees over other categories of balances. This was Britain's experience in 1961. Under the Basle arrangements Britain received special assistance from Central Banks to the total of some £350 million.

Lenders of the greater part of this amount received a dollar guarantee under the European Monetary Agreement, while the balance was secured by swap arrangements. This caused resentment among monetary authorities which did not participate in the Basle arrangement. In particular Australia and New Zealand resented what they considered to be discrimination against their holdings of sterling which received no such guarantees.

Largely as a result of this unfavorable reaction the British Government endeavored to terminate the dollar guarantee when The European Monetary Agreement came to be re-negotiated in the autumn of 1962. The response was far from favorable. As usual, the French authorities proved to be the most difficult. Eventually a compromise was reached under which part of the sterling balances held directly by Western European Central Banks or Treasuries would continue to enjoy dollar guarantees, but the much larger amount held by the European Fund would cease to be guaranteed. This concession was accepted in view of the increase of confidence in sterling. It seems probable, however, that should sterling come once more under a cloud, exchange guarantee for any additional holdings would be insisted upon.

Today's Use of Forward Exchange

The question whether to guarantee or not has been circumvented to a very large extent as a result of the greatly increased practice by Central Banks and Treasuries to engage in Forward Exchange operations. The United States authorities, which are legally prevented from giving exchange guarantees, granted assistance to Britain and Canada without taking any risk, on the basis of the reciprocal swap arrangements made with the two countries. To a much larger extent, the United States benefited by this form of insurance against losses on exchanges as a result of the reciprocal swap arrangements made with a number of monetary authorities. The total amount involved is not far short of $1,000 million.

Another way of solving the problem is for the government concerned to borrow abroad in terms of foreign currencies. This was actually done by the United States Treasury in Switzerland and Italy, where short-term loans in terms of the local currencies were raised. Until recently it would have been considered inconceivable that the United States should deem it necessary to borrow abroad at all, and least of all in terms of foreign currencies. The solution is, however, a sensible one, because, if the United States Treasury had borrowed in terms of dollars, possibly the lenders would have sought to safeguard themselves against a dollar devaluation by means of Forward Exchange operations, and the resulting additional pressure on forward dollars would have wiped out the beneficial effect of the operation.

Preferable Choice

If the choice lies between giving exchange guarantees or borrowing abroad in terms of foreign currency the latter solution is more satisfactory. The granting of exchange guarantees is bound to be detrimental to the prestige of the country concerned and, as we saw above, it is a practice which is liable to cause resentment by those whose balances are not given similar guarantees. The solution could be improved upon by borrowing for longer periods. It is true, the British example of the large dollar loan of 1946 is not encouraging, but the position is now totally different from what it was 16 years ago and there is no reason to believe that the proceeds of a large external loan by Britain or the United States would be wiped out by a run on sterling or on the dollar.

Phila. Bond Club Receives Slate

PHILADELPHIA, Pa. — Theodore E. Eckfeldt, a Vice-President of Stroud & Company, Incorporated, has been nominated for President of The Bond Club of Philadelphia. Mr. Eckfeldt would succeed Edgar J. Loftus of W. E. Hutton & Co., whose term is expiring.


Theodore E. Eckfeldt

Other officers nominated were: Phillips B. Street of The First Boston Corporation, Vice-President; Frank L. Newburger, Jr. of Newburger & Co., Treasurer and Richard W. Hole of R. W. Pressprich & Co., Secretary.

The nominating committee also listed three members for the board of governors. Mr. Loftus, the retiring President, has been nominated for a one year term, while Leighton H. McIllvaine of Goldman, Sachs & Co. and Theodore C. Sheaffer of Janney, Battles & E. W. Clark, Inc. have been slated for three year terms.

The annual meeting and election of The Bond Club will be held on Thursday evening, Jan. 24, 1963 at The Barclay Hotel.

Albert A. R. Wenzel, Philadelphia Resident manager of Francis I. duPont & Co., is in charge of arrangements.

The nominating committee consisted of W. W. Keen Butcher of Butcher & Sherrerd; Morris Lloyd of Drexel & Co.; George L. Morris, of Hornblower & Weeks; Bertram M. Wilde of Jenney, Battles & E. W. Clark, Inc. and Willard S. Boothby, Jr. of Eastman Dillon, Union Securities & Co.

Barlett to Admit

CINCINNATI, Ohio — William A. Cartwright will become a limited partner in Benj. D. Bartlett & Co., 313 Vine Street, members of the New York and Cincinnati Stock Exchanges, on Jan. 17.

Favors Good Stocks Benefiting From Defense

Dean Witter's West Coast partner points out that the market is in a strong technical position in prescribing a positive investment program for 1963. Mr. FitzGerald specifies industries he favors, and suggests selecting those firms bound to benefit from increased defense spending.

A Positive Investment Policy for 1963 should center upon companies of proven competitive competence, with emphasis on firms which can be expected to benefit from increased defense spending.


Philip J. FitzGerald

Such a policy is indicated because of two strong and divergent forces at work: accelerating business competition all over the world and the stepped-up tempo of the Cold War.

This is the conclusion of Philip J. FitzGerald, limited partner of Dean Witter & Co., in his annual Positive Investment Policy recommendations released recently.

Competition and the Cold War were behind the two big selling waves which hit the stock market in 1962, he stated.

"By the Spring of 1962, combined political and economic pressures brought home the realities of competition to investors everywhere. Once it became clear that prices could not be raised to offset rising costs, the impending profit squeeze caused reconsideration of rosy earnings forecasts upon which the speculative price structure of the market had been built."

Professional investors, in seeking out competitively competent management as the answer to the pressures of competition, apparently made their selections in:

Groups isolated from inter-industry and global competition, particularly service industries such as utilities and insurance;

Aerospace, missiles and other areas of advanced research so secret global competition is unlikely;

Industries well prepared for competition due to their own experience since 1957, such as oils;

Certain individual companies which expressed confidence in their competitive competence by increasing 1962 dividend payments, such as General Motors, International Nickel, Libby-Owens-Ford and Standard Oil Co. of New Jersey.

In the Cold War, the Cuban crisis has convinced American investors of three things, the Dean Witter booklet stated. Our missile capabilities must proceed to the limit of our economic capacity. Our exploration of space must expand. Our best chance to escape limited war lies in our ability to wage conventional warfare with the most sophisticated of modern weapons. Investors can expect the Defense Department in 1963 to launch a vast procurement of supersonic planes, faster and lighter tanks and troop carriers, up-to-date signal and engineering equipment.

The Cuban crisis and its aftermath have significantly changed economic thinking. In mid-November, Dow-Jones reported two-thirds of the economists and business authorities surveyed expect no recession in 1963. A similar August survey showed a majority of business analysts expected a turndown by next Spring.

The market today is in a strong technical position, according to the Dean Witter & Co. booklet. The Spring break squeezed out over-optimism and weak margin accounts. Market selectivity already has identified competitively competent companies.

Mr. FitzGerald concluded by recommending specific companies of demonstrated competitive competence in various industries or categories. Among the industries are: banks, finance, autos, auto suppliers, building materials, paper, business forms, food, machinery, rails, retailing, steels, chemicals, drugs, electronics, office equipment, hospital supplies. He also recommends several companies whose management has redesigned products or built in greater value to meet today's competition, natural resource companies for long-range inflation protection, and tax-free municipal bonds.

Named Branch Manager

Leonard Fisher has been appointed manager of the 60 Broad Street, New York office of Bache & Co., members of the New York Stock Exchange. Thomas Bowes has been named assistant to John B. Huhn, resident partner in charge.

Savs. Banks Ass'n Forthcoming Meetings

The National Association of Mutual Savings Banks has announced the following list of dates and places for forthcoming meetings as approved by the Board of Directors:

1963

Feb. 5-6-7 — Fifth Washington Conference, Mayflower Hotel, Washington, D. C.

Feb. 13—Insurance Conference, Statler Hotel, Boston, Mass.

Feb. 14-15 — 15th Annual Conference on Operations, Audit and Control, Statler Hotel, Boston, Mass.

May 13 - 14 - 15 — 43rd Annual Meeting, Sheraton Park Hotel, Washington, D. C.

June 9 to 21—Graduate School of Savings Banking, Brown University, Providence, Rhode Island.

July 7 to 20—Management Development Program, Dartmouth College, Hanover, New Hampshire.

Dec. 2-3 — 17th Midyear Meeting, Commodore Hotel, New York.

1964

Feb. 17-18-19 — 16th Annual Conference on Operations, Audit and Control, Bellevue-Stratford Hotel, Philadelphia, Pa.

May 16 to 24 — 44th Annual Meeting, Commodore Hotel, New York.

Dec. 7-8—18th Annual Midyear Meeting, Commodore Hotel, New York.

1965

May 15 to 19 — 45th Annual Meeting, Sheraton Park Hotel, Washington, D. C.

The State of TRADE and INDUSTRY

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

"1962 was a good year which satisfied no one," observed the Federal Reserve Bank of New York in *Perspective on 1962*, its informal review of the year, published this week. "Production, employment and corporate profits all reached new heights, but the economy's performance once more failed to live up to its capabilities . . . The United States made some progress during the first three quarters in its continuing efforts to reduce the deficit in its balance of payments with the rest of the world, but the deficit remained uncomfortably large," the Bank said.

N. Y. Fed. Favors Tax Cut

As 1963 opens, it does not seem practicable, the Reserve Bank noted, to look to greater monetary ease as a means of stimulating the economy, especially in view of international considerations. "A reduction in Federal income taxes appears to offer a more direct and effective way to influence spending decisions. Consumers and corporations normally spend their own incomes more readily than they will borrow to spend."

The nation's present tax structure apparently has helped dampen the rise in consumer incomes and spending in recent years. The tax payments of individuals for Social Security, Federal and other Governmental levies on income rose by two-thirds between 1955 and 1962, half again as fast as income.

These taxes, which took 13 cents of the consumer's income dollar in 1955, have taken 25 cents of every additional dollar that consumers have received in income since then. Not until 1962 did the after-tax income of consumers score as large a dollar gain as it did in each of the three years 1955, 1956, and 1957, according to the Bank.

A more rapidly expanding economy, stimulated by Federal tax cuts, might well aid the country's balance-of-payments position by making lending and investing at home more attractive. This effect would depend, the Reserve Bank observed, on a continuing effort by business and labor to exercise restraint with regard to prices and wages.

Higher activity at home clearly offers the most desirable way of resolving the conflict between domestic and international considerations in the formulation of monetary policy. In any case, monetary policy must be prepared in 1963 to deal as vigorously as may be necessary with international capital flows and the balance-of-payments problem.

[*Ed. Note:* Copies of *Perspective on 1962* are available from the Public Information Dept., Federal Reserve Bank of New York, New York 45, N. Y.]

Bank Clearings Increased 9.6% Above 1962 Week's Volume

Bank clearings this week will show an increase 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, Jan. 5, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 9.6% above those of the corresponding week last year. Our preliminary totals stand at $32,907,317,082 against $30,029,714,713 for the same week in 1962. Our comparative summary for some of the principal money centers follows:

Week End. Jan. 5—	(000s omitted) 1963	1962	%
New York	$19,424,914	$16,410,174	+18.4
Chicago	1,406,708	1,379,780	+ 2.0
Philadelphia	1,120,000	1,121,000	— 0.1
Boston	919,266	848,752	+ 8.3
Kansas City	534,803	521,226	+ 2.6

Steel Users Delay Hedge Buying

Steel users are talking about building inventories for protection in the event of a 1963 steelworkers' strike, but do not look for much hedging before March or April, said *Steel* magazine. Users will adopt a wait and see attitude and will do more waiting this year than in 1962.

Here's why:

The present two year contract runs through June 30, 1964, but either the steelmakers or the United Steelworkers of America can elect to reopen the contract on May 1. If either side should so elect, negotiators would have 90 days in which to reach agreement. That would put the deadline at July 31, giving negotiators 30 days more bargaining time than they had last year.

Steel says union and industry leaders seem interested in settling their differences amicably before any inventory buildup starts. A meeting of the Human Relations Committee has been called for Jan. 14. The four top negotiators for both sides are committee members. They will hear reports from subcommittees that have been studying problems which could be subject to collective bargaining by May 1. Although the first meetings will not be bargaining sessions, *Steel* points out that the committee seems to be following the pattern that led to early settlement last year.

Steel buying by the automakers is geared to consumption, so do not look for any strike hedging in Detroit before March, the metalworking weekly said. If the steelworkers reopen the contract and negotiations go down to the wire, the automakers will try to have three to four months' supplies of steel on hand by the end of July. Shipments of steel to the auto plants this month will be as large as those in December as production of cars and trucks continues near record levels.

Steel Output Gains 9.6% From Previous Week and is Down 18.1% from Last Year

According to data compiled by the American Iron and Steel Institute, production for the week ended Jan. 5, was 1,879,000 tons (*100.9%), as against 1,715,000 tons (*92.1%) in the week ending Dec. 29. The week to week output impressively advanced 9.6%.

Data for the latest week ended Jan. 5 shows a production decline of 18.1% compared to last year's week output of 2,294,000 net tons (123.1%).

The Institute compares the Index of Ingot Production by Districts for the last two weeks as follows:

District—	*Index of Ingot Production for Week Ending Jan. 5 1963	Dec. 29 1962
North East Coast	87	76
Buffalo	101	96
Pittsburgh	90	81
Youngstown	36	55
Cleveland	97	85
Detroit	161	152
Chicago	112	111
Cincinnati	131	122
St. Louis	107	91
Southern	89	83
Western	93	97
Total industry	100.9	92.1

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

Higher Ingot Production Slated

Ingot production by the nation's steelmakers in the week ending Jan. 12 is expected to be higher than the 1,870,000 tons that *Steel* estimated was poured in the week ended Jan. 5. Output then was 9% above that of the previous week. December's production topped 8 million tons by a narrow margin and pushed the 1962 total to 98.3 million tons vs. 98 million tons in 1961. The consensus among top steel industry executives that production in 1963 will probably show a slight improvement, possibly exceeding 100 million tons for the first time in six years.

Scrap prices appeared to be firmer. Dealers and brokers anticipate substantial mill buying as steelmaking operations rise over coming weeks, but a note of caution prevails because of large dealer stocks and strike halted exports. *Steel's* composite price on No. 1 heavy melting remained at $26 a ton last week.

Auto Demand Keeps Steel Output Up

The auto industry is taking the greatest tonnage of steel and its highest percent of total steel shipments since record-breaking 1955, *The Iron Age* reported.

The magazine said analysis of shipments shows the degree to which surging auto production bolstered the steel market through 1962. It also accounts for much of the industry optimism today.

The *Iron Age* stated shipments of steel to the auto industry in 1962 totaled about 15.1 million tons. This is equivalent to 21% of total steel shipments for the year. In comparison, the auto industry took 18.7 million tons of steel in the record year of 1955 for 22.1% of all shipments.

Since the total shipments include steel used for trucks, buses and other vehicles, a per-car average could be misleading. However, an analysis of the figures shows the average amount of steel used in a car has dropped significantly since 1955, possibly as much as 500lb. (Total auto production in 1955 was about 7.9 million compared with 6.9 million in 1962.)

The decline is due to the introduction of compact cars, use of higher strength, lighter weight grades of steel, and some substitution of materials.

Shipments of steel to the auto industry have varied substantially in the postwar years. From the high in 1955, the auto industry's buying dropped to 10.1 million tons in 1958. This equaled 16.9% of that year's depressed total of 59.9 million tons shipped from production of 85.25 million tons.

In comparison, 1962's total steel shipments should be around 71 to 72 million tons from production of 98.2 million tons. In 1955, steel production reached 115.2 million tons with shipments of 84.7 million tons.

In a report from Detroit, *The Iron Age* said that more than one-half of the district sales offices there set new sales records in 1962. The feeling there is one of continued optimism on the basis of three record-setting months of auto sales in the last quarter of 1962.

In the auto capital, January looks as if orders placed in January from the auto companies will exceed December by several percentage points.

In the overall steel market, January will show a rise over December in orders and shipments. Inventories have apparently reached a workable level and demand reflects a true rate of consumption.

However, another round of inventory building is inevitable in advance of steel labor negotiations. In fact, some mills are in the process of building up stocks of some products such as galvanized and semi-finished coils in anticipation of a rush of orders in March and later.

However, the date of inventory building is not easy to foresee. Users have confidence in mills' ability to deliver and are in no rush to start costly accumulation of steel stocks. Also, talk, whether founded or unfounded, of a possible early settlement of the steel labor contract is causing some reluctance on the part of consumers to show their plans.

Ward's Optimistic About This Month's Auto Output

Ward's Automotive Reports said today that car and truck production in the U. S. during January should reach a near-record level for the month, or upwards of 800,000 units.

The statistical agency said combined car-truck output attained this level only once previously; in post-steel strike 1960

Continued on page 27

The Market . . . And You

BY WALLACE STREETE

One month ago a prominent Big Board house told its clients that the market's momentum appeared to be losing steam. Growing resistance was cited as much more evident in the face of a mere seven point gain in the Dow-Jones industrials over a full two weeks.

Technical Aspects

What a difference a month makes! Daily spurts of seven points are still not exactly common, but neither are they unknown. Old resistance levels are pierced with much more calm these days. Even a rapid run-up of more than ten points in a single day, as we witnessed late last week, failed to rouse the market seers as it would have several weeks ago.

Now that the market has topped the 672 intraday level and retraced more than 236 points from its 1962 low of 535.76 back on June 26, less talk is heard of inevitable reactions to 620 or even 630.

In short, the next target appears to be the 700 level, then the final assault on the old record high of 734.91 of Dec. 13, 1961. But the yacht-buying season is still far away by both calendar and logic.

One good rally doesn't wipe out past losses, nor does repetition of good intentions guarantee a tax cut. Fortunately Wall Street seems rather skeptical of politicians' promises, and prefers to make up its own mind about the nation's future economy.

Rails' Problems Side-Tracked

With good news emanating nearly daily from the economic fronts, optimism grows that this rally will need more than a dash of cool predictions to stem it. Witness the rails. Now that they have crossed the 150 mark on the Dow, even the prospects of higher costs from wage contract reopeners this year seem sidetracked.

Collectively, the rails have spurted nearly 30% in value from their 1962 low. If their advance continues at the same pace, they could crack their 1957 high of another 30 points soon.

While the rails make up a small part of the total stock market, investor reaction to them seems indicative of the overall tenor. The urge for relative stability, substantial income and restrained risk on the downside has obviously spread to many, if not most, areas.

Market's Volume Rise

One heartening fact is the rise in daily turnover. A 5-million-share day is still rather rare, but at least not just a memory. Buying after the old year ebbed out has shown a steady advance and should continue as more institutions commit some of their fairly heavy cash reserves.

The number of new highs established in recent days is also a strong plus factor in luring back the average investor. While institutions and professionals profess they don't buy at the highs, it is more apparent that the bandwagon psychology influences the "little fellow."

Motors Popular

Today he seems to be in pretty good company. Especially if part of his bandwagon portfolio includes institution-favored favorites such as General Motors, Chrysler, and Ford. Two of the three have pushed through to new highs and the third, Ford, is within a shade.

Good news and glowing prospects are having direct effects on motor stocks, but profit potentials are also playing a significant role. American Motors, the fourth of the industry's five makers, has likewise attracted a stronger following as it has climbed to within a fraction of the year's high.

The good news continues to roll in for the auto stock buffs. Record December sales bolster forecasts that 1963 could be another nearly 7-million-car year.

While auto output was relatively unchanged in December for the sixth straight month, the increasing erosion of steel stockpiles in Detroit has boosted hopes for the steelmakers. A sharp snapback from holiday slowdowns pushed the gray metal production total last week to the greatest in eight months. The increase for the single week resulted in the biggest single seven-day spurt since the week following July 4.

Although the unofficial operating rate has crossed the 60% mark for the first time in several months, steel stocks have been fairly slow to react. Bethlehem has moved up four points from its low for the year of 27, but remains far below its previous high of 43¾.

U. S. Steel has made a better showing in climbing nearly 10 from its low point, yet 47 is a far cry from 78⅞ of barely a year ago.

Oils Leading the Field

Other former stars remain depressed although they are making a better comeback than the steels. Oils remain far ahead of most of the field, with Jersey Standard and Texaco breaking or nearing new highs. Royal Dutch retains a strong following. It, too, has shown sustained strength as a leader of the international petroleums. Jersey Standard and Texaco near 60 and Royal Dutch around 45 continue to attract many recommendations.

Congress, always a big uncertainty for the investor, gives few signs of treading a predicted path this year. But most investors, especially the institutional variety, appear to be hacking out their own futures, without regard to how the lawmakers fret over budget technicalities.

The main factor is that government outlays will remain large, undoubtedly large enough to keep investors reminded that inflation continues to loom large in the background.

Inflation Impact

Fear of inflation may be overrated but it is a very real thing. Some analysts say 1963 should be a year of major swings because of this fear as investors react vigorously to day-to-day developments. A few see the new year as a time for consolidation: no new highs, no new lows.

But values are definitely taking on more meaning. Consider how Magnavox has reacted. Its profits have risen steadily from 40 cents a share back in 1958 to $1.75 last year. It recently topped the 38 mark, more than 10 points off its bottom, and is now about the same margin from its former high of 47⅜.

Over-all the Dow-Jones industrial index has a price-earnings ratio of about 18.5. This is nearly the same as a month ago, but significantly different from its 24.6 ratio of a year ago when the Dow stood close to 715.

[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.]

Collins Radio Debs. Offered

Kidder, Peabody & Co. Inc. and White, Weld & Co., New York, are managers of an underwriting group which is offering publicly $12,500,000 Collins Radio 4¾% convertible subordinated debentures due Jan. 1, 1983, at 100% and accrued interest.

The debentures are convertible into common stock at $27.50 per share at any time prior to maturity and are entitled to a sinking fund beginning in 1739 sufficient to retire 76% of the issue prior to maturity. They are redeemable initially at a price of 104.75%.

The proceeds of the financing will be used initially to reduce current bank borrowings which were incurred for the purpose of financing receivables and inventories.

Collins Radio of Cedar Rapids, Iowa, and Dallas, Texas, designs and manufactures specialized radio communication equipment, air navigation and flight control equipment, and data communication systems.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The Treasury, in its first new money raising operation through competitive bidding, sold $250,000,000 of long-term bonds at a net interest cost of 4.00821%. A 75-member syndicate, headed by C. J. Devine & Co., Salomon Brothers & Hutzler, Bankers Trust Co., Chase Manhattan Bank, First National City Bank of New York, Chemical Bank New York Trust Co. and First National Bank of Chicago, were the winners of this offer with a bid price of $99.8511 per $100 in face value of the bonds with a 4% coupon rate. The bonds were in turn offered to the public at 100 to yield 4.00%.

This new money flotation of the government turned out to be a very successful operation with a premium of 2/32 above the issue price being bid for the new 4s of 1988/1993, shortly after they were released by the underwriters.

Very Close Bidding

The second high bid, which was submitted by a 52-member group headed by Morgan Guaranty Trust Co. of New York, Bank of America, Blyth & Co., Halsey, Stuart & Co., Inc. and Aubrey Lanston & Co., Inc., was $99.85100 for a 4% coupon rate also, which was equivalent to a net interest cost to the Treasury of 4.008216%. This was only a slight fraction lower than the winning bid. In dollars, the tender was only $275 less for the entire issue than the aggregate price paid by the successful syndicate.

An 83-member group, headed by the First Boston Corp., Continental Illinois National Bank & Trust Co. of Chicago and the Discount Corp. of New York, submitted a bid of $99.71014 also with a 4% coupon rate which would have resulted in a net interest cost to the government of 4.016334%.

C. F. Childs & Co., Inc. was the only single bidder for the new money issue of the government, with a bid of 100 with a 4⅛% coupon rate which would have produced a net interest cost to the Treasury of 4.124621%.

Both the winning group and the Morgan Guaranty group were shooting for a public offering price of 100 for a 4% bond. The spread between the C. J. Devine group bid which was the winning one for the $250,000,000 new money issue of the government and the second highest bidder was only 10-100ths of a cent per $1,000 bond, a very narrow one.

The winning syndicate showed a differential of only $1.49 per $1,000 bond between the bid price and the reoffering price which again is a narrow margin when compared with the spreads which are to be found in competitive bidding for corporate and tax exempt bonds.

However, government bonds are traded in 32nds as a rule, although there are times when they are traded at narrower spreads than that. Corporate and tax exempt bonds are generally traded in ⅛ths or ¼s.

Treasury Officials Gratified

Treasury officials, according to reports, were very well pleased with the results of the first public offering for new money raising under competitive bidding. It is believed that this method will be used again, but as to whether or not it will replace entirely the old way of selling bonds to the public is still a matter of considerable question.

Quite a few money and capital market experts believe that when the excitement of this first very successful new money raising venture has died down, there will be much discussion about the relative merits of both of these systems of getting government securities into the hands of the ultimate investor. It seems as though there is a place in the picture for both of them.

Bonds Widely Distributed

It is indicated that pension funds were among the important buyers of this long-term government bond with state and municipal funds among the very larger takers, followed by the private ones. Savings banks and savings and loan associations, along with insurance companies and charitable organizations, were also among the buyers. It is indicated that a very broad distribution was made of this bond among investors.

It appears to be the opinion of most money market specialists that the decline in reserves of member banks of the system is not indicative of any change in Federal Reserve policy. The money and capital markets are expected to stay about as they have been for the foreseeable future.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Rochester Telephone Corporation

Rochester Telephone, with annual revenues around $30 million or more, is one of the largest of the independent telephone operating companies—though of course relatively small by Bell System standards. It serves the city of Rochester (the third largest in New York State) but obtains nearly one-fifth of its revenues from adjoining counties. Local service accounts for 76% of revenues and toll service 18%; directory advertising, rents, etc., contribute the remaining 6%. At the end of 1961 the company had some 315,000 telephones in service, about 93% dial operated, compared with 304,000 a year earlier.

The city of Rochester, the home of Eastman Kodak and other light industries is noted for its economic stability — unemployment has never exceeded 3% as compared with the recent rate of 5.8% for the U. S. Average family income of $7,300 is the highest in the state. With each ten-year census since the company was formed, Monroe County, the "hub" of the company's territory, has shown consistent growth—from 352,000 in 1920 to 586,000 in 1960. Experts forecast a population of 705,000 in 1970—an increase of over 20% in ten years.

The Company made excellent progress in 1961-2, the huge dial conversion system being completed in the metropolitan area. Dial service has also been provided in some outlying areas and toll-free service is now available between Rochester and some of the suburban exchanges. Direct Distance Dialing was also provided for some 87% of the Company's telephones. Direct dialing has led to labor economies, computers taking over a substantial part of the customer-billing operations and eliminating some 50 clerks on this work.

The company will now devote increased efforts to reducing party lines, which they hope to reduce to around 15 or 20% of the business over the next four years, as compared with 60% currently. This will require substantial installations of new cables to handle the increased local business expected to result (long distance business will not be greatly affected). Operations are now being consolidated and economies obtained through use of the new office building and the new plant operations center.

A nine weeks strike by plant department employees occurred in 1961 but few customers were deprived of essential service, and a satisfactory 3-year contract was signed. Wage rates and fringe benefits are about the same as those of the Bell System. In July, 1962, a three-year contract was signed providing weekly wage increases of $1.50-$4.00 for some 1,100 employees.

According to Standard & Poor's Rochester Telephone as of June 30, 1962, was earning 6.3% on invested capital for the end of the period. As New York Telephone is apparently earning a somewhat higher rate of return without the help of flow through of tax savings from accelerated depreciation there would appear to be some leeway for Rochester to increase its earnings without encountering a need for rate cuts. In June this year some reductions were made on Long Distance intrastate rates but these cuts usually stimulate new business.

The company's construction expenditures for 1962 are estimated at $14 million or about the same as in 1961; $6 million will be spent fos the extension of lines and cables which will presumably aid the program to reduce party line business. Construction expenditures are budgeted at nearly $17 million this year and $21 million for 1964. In July 1962, $12 million of debentures were sold to repay bank loans, retire debentures due in 1963 and provide construction funds. Equity financing on a 1-for-5 basis was effected in March 1961, but no additional issue of common stock appears likely before 1965. No financing is scheduled for 1963 but $16 million mortgage bonds may be sold in February, 1964.

Earnings per share remained irregular during 1952-57, ranging between $1.22 and $1.62. The poor earnings record of earlier years was partially explained by frequent equity financing, common stock having been sold in five of the nine years during 1953-61. However, an upward trend has been maintained since 1957, earnings increasing steadily from $1.33 in that year to an estimated $2.10 for calendar 1962. Earnings for the 12 months ended Sept. 30 were $2.02 (including flow through of tax savings but the calendar year is expected to show a further gain because of inclusion of the 3% investment credit as ordered by the Public Service Commission.

President Kern, in a recent talk before the New York Society of Security Analysts, was optimistic regarding the future trend of earnings, estimating that share earnings might increase about 7% in 1963 and 10% in 1964, which if realized, would indicate earnings for the latter year around $2.50. An increase in 1965 is also anticipated despite the projected 1-for-10 stock financing in that year.

Dividends have been paid in each year since 1926 and have averaged about 65% of earnings in recent years. Since the present $1.20 dividend rate would represent only about 57% of estimated 1962 earnings, another increase in the rate would appear to be in prospect for 1963. The stock has been selling recently on the New York Stock Exchange around 39 (approximate range in 1962 was 40-26 and in 1961 34-24). The current yield is about 3.1% and the price-earnings ratio 18.6 based on the estimated earnings of $2.10.

Walter Winfield Forms Own Co.

Walter R. Winfield has announced the formation of Walter Winfield Company with offices at 40 Exchange Place, New York City, offering a general over-the-counter brokerage service for banks, brokers and dealers. Mr. Winfield has been in the investment business since 1923. He is a member of the Security Traders Association of New York.

COMMENTARY...

BY M. R. LEFKOE

According to President Kennedy and several other high-ranking government officials, the Administration's policy of "managing the news" has been necessitated by the need to keep top-secret military information from reaching the enemy. We have been assured time and time again that our government has no intention of censoring the news; it only desires to "avoid the disclosure of information affecting the national security." As Assistant Secretary of Defense Arthur Sylvester grimly put it: "I think that the inherent right of the government to lie to save itself when faced with nuclear disaster is basic."

Thus, I am sure that most people are sincerely grateful to our leaders in Washington for the news blackout which surrounded their actions in Laos as they forced pro-West leaders into a coalition government with Communists; for telling an NBC correspondent in Germany that his story of American vehicles being fired upon en route to West Berlin was true, "but that it was contrary to U. S. policy to report it"; and for working overtime with the United Nations to release so many contradictory reports about events in Katanga that no one has the vaguest idea of what is going on there.

Nevertheless, I don't think that the American public has given the Administration full credit for many of the other occasions in which it has been saved from "nuclear disaster."

Erroneous Data Issued

For example, I am sure that many Americans have failed to realize that the election of a Democratic Congress is vitally necessary in order to protect us from "nuclear disaster." Proof of this indisputable fact came just the other day when Secretary of Labor Willard Wirtz proudly announced that he had given the American public "invalid" figures on unemployment before the Congressional election last November.

Just six days before the electorate decided which party could best promote a healthy economic climate, the Labor Department announced that "over 4,500,000 more Americans have jobs than when this Administration took office in January of 1961." The press release also stated that unemployment was "over 2,000,000 less than in January of 1961."

Belated Correction

Since Washington is a very busy place just before an election, it wasn't until after the votes had been tallied that we learned of a few minor errors which had been made in compiling the figures.

Just as soon as he was able to put aside his campaign duties, Mr. Wirtz called in the press and announced that "it isn't proper to compare January figures without making seasonal adjustments." For the benefit of the voters who had supported President Kennedy's party because of its extraordinary ability to effectively combat unemployment, he explained that, instead of increasing 4.5 million, employment had only increased by 1.2 million. Unemployment, it turned out, had been reduced by only 780,000 instead of by over 2 million.

Actually, the present Administration started protecting us from "nuclear disaster" before it even took office. During the 1960 Presidential campaign, Mr. Kennedy bombarded us with warnings that a "missile gap" existed between the United States and Russia. He charged that, due to General Eisenhower's failure to fully understand military strategy, our nation had not built enough missiles and had been exposed to grave danger.

Missile "Gap" Quickly Closed

With Mr. Nixon denying the accusation as violently as Mr. Kennedy had made it, the bewildered and frightened voter tried desperately to pick the man who best would be able to close the terrifying "missile gap." And as things turned out, the public made the right choice.

Only a few months after he won the election, President Kennedy was able to calm the nation's fears by telling it that the "gap" had been closed. According to authoritative government studies (which, incidentally, had been made during the Eisenhower Administration), it appeared that America was so far ahead of Russia in its stockpile of intercontinental missiles that it was doubtful whether Russia could ever catch up to us.

It was during the same campaign that Mr. Kennedy again saved the nation from possible "nuclear disaster." Afraid that our "national security" was at stake, he decided to exercise the government's "basic right" in his capacity as a United States Senator.

The Budget Record

Time and time again, Mr. Kennedy patiently explained to us why inflation was bad for the nation, why the budget deficits which had caused it were bad for the nation, and why the Republican Administration which was responsible for the deficit was bad for the nation. If elected to the office of President, he promised, the disgraceful era of deficit spending would be ended once and for all.

Implicit in his promise, of course, was the fact that even a President can't end an era overnight. Sometimes an undertaking of such a grand scale requires eight years. Nevertheless, by observing his campaign pledge to cut out all nonessential spending programs, President Kennedy managed to keep the budget deficit down to $3.9 billion during his first year in office. (The public received an apology for this sizable deficit, along with an explanation that it really couldn't be attributed to any failure on the part of the new President since the budget had been prepared during the previous Administration.) In the first full year under his control, however, President Kennedy was able to keep the deficit down to a reasonable $6.3 billion, and the estimate for the fiscal year ending June 30, 1963 is only about $8 billion.

Inflation Solved?

But despite the problems he encountered in ending the era of deficit spending as quickly as he had led us to believe, President Kennedy was able to tell us that the real evil—the problem of inflation—had been solved. He announced that according to a recent discovery by several eminent Harvard economists who had been working diligently in Washington, there was no real correlation between deficit spending and inflation. Thus, as we watch the national debt climb from $290 billion, when General Eisenhower left office, to an estimated $315 billion by the end of 1963, we are assured that we have no cause for alarm.

"Basic Right to Lie"

Despite the fact that they virtually owe their lives to the government, I am sure that there are some people who will continue to question the government's "basic right to lie." Most of these people, however, are right-wing reactionaries who still think that lying is wrong under any conditions. They live in an 18th Century dream world and have nothing better to do than accuse the government of censorship, asserting that the issues I have just mentioned are strictly domestic issues having nothing to do with protecting the "national security."

Perhaps I will never be able to convince such people that they should be grateful to the Administration for warning them about a nonexistent "missile gap"; for raising the specter of inflation due to deficit spending, and then telling them that there is no correlation between the two at all; and for misleading them into thinking that the problem of unemployment had almost been solved.

I am forced to remind these uninformed people that, not being privy to the confidential information possessed by President Kennedy and his advisors, they are not aware of how closely these issues are tied to our national security.

I take heart, however, in knowing that most Americans realize this. They know that if they had been told the truth, the whole truth, and nothing but the truth on each of these three occasions, Russia and the rest of the Communist world would have learned so many vital secrets about the American economy that they would have been able to destroy us at will.

If the few remaining heretics would really be honest with themselves, I am sure that even they would be forced to admit that, by his actions, President Kennedy has certainly taken good care of their lives, liberty, and property.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Office Decorum

If there is any business that requires concentration it is the securities business. In other lines of endeavor, changes usually develop gradually. The salesman with a standardized product can stay abreast of innovations, the market outlook for his particular offerings, and the plans his own firm may have for the future without too much difficulty. This gives him time to service his regular accounts, call upon new prospects, and improve his sales presentation. Salesmen with a broad line of merchandise, or offering technical commodities have a more complicated task.

But there are few lines of sales work that demand so much concentrated mental effort as the investment securities business. Changes don't happen daily, weekly, or monthly — they are happening every minute of every business day. The man who sells securities is handling a product unlike anything else — not only does he have to know what is happening now, he is also supposed to try and determine what will happen in the future.

You Must Be Informed

A security salesman is called upon to assist his customers in making important decisions. If he is unable to assemble reliable information and keep up with the activities in general business, in the market, and the specific securities he is attempting to evaluate from day to day, he cannot function successfully. Even the man who approaches genius in his ability to remember facts, keep figures in his head, do three things well at one time, and who also has years of experience in evaluating investments makes his share of mistakes. This is inevitable.

But not all salesmen are blessed with electronic computers and memory capacitators in their heads. Not everyone is a genius. The point I believe that should be emphasized is that security salesmen, working in one office, whether it be large or small, should recognize that their associates may be concentrating to the best of their ability on something very important to their clients and to them, even when they are sitting at their desks seemingly doing nothing. Here are a few examples:

Salesman A is trying to decide whether or not he should heed the advice of a respected analyst and recommend the sale of a particular common stock. On fundamentals the earnings have been static, there have been substantiated reports of management weakness, competitors have created new products. But being an experienced man, this salesman has noticed that the short position in the stock has been increasing for several months. He is waiting to see the next report of the monthly short position that is soon to be released. He is debating with himself as to the proper course to recommend. The company is still one of the leaders in its industry. A turn upward in the general market, accompanied by a still further substantial increase in the short position, might cause this stock to take off like a scared rabbit (fundamentals to the contrary). He has several good clients in the stock. What should he tell them? How do you figure something like this?

Salesman B has a trading account. He is trying to follow the market in several stocks. The customer is impatient with results because several of his commitments have been laggards in a sharply advancing market. Yet, the values are apparent, there are definite signs of accumulation, the stocks in the account have been behind the market, the earnings and income from dividends are most satisfactory — but the customer is unhappy. He wants more action. He has suggested several switches to the salesman. Both of the stocks the client thinks should be bought also look attractive, and from one company he advised that he is in a position to obtain information through his connections. What to do now? If the present position is to be liquidated, when? At what price? At the market? On a scale up? These are academic considerations but they must be deliberated upon and resolved. The goodwill of a client is at stake, also his capital is very much at risk. A salesman who handles such accounts must think before he acts.

Salesman C is looking over his morning mail. There are letters from clients that require routine but immediate attention. There may be requests for specific information concerning particular securities. Possibly there are also more telephone calls than is usually the case that must be answered cheerfully and politely. In the midst of all this the market has opened and our salesman has not had a chance to read his morning newspaper, or even glance at the inter-office communications that have been placed upon his desk. Finally, he gets around to it and he gives this material a hasty and what he hopes — was a fairly complete "once over" that at least allowed him to digest the most important items. An hour later one of his clients calls him and asks him a question about something in the news that might affect one of his securities, and his mind is a complete blank. Yet right there before him was the information he needed, contained in the research data he read too hastily. This can happen to anyone — the human mind can absorb just so much.

Cooperation

No one can appreciate these problems more than the security salesman who has to live with them daily. When he comes to his office he knows that he must be allowed to concentrate on what he is doing. He must read fast and accurately. When he reads he must evaluate and remember that which is important. No office should be without good-fellowship, and a few laughs. But if there is one simple procedure that those who are connected with the sales department of this business could do to help his fellow salesmen and himself, it is to remember that he is engaged in a line of endeavor that is predominantly mental in character.

This rule may be helpful—sit at your own desk — don't roam around the office if you have a little leisure time to spare and try to find someone with whom you can chat—try and keep your voice low—give your associates a break because they are part of your team. If you have some valuable information, pass it along to your office manager—your sales-manager — or during sales meetings. When that tape is moving, when that news ticker is working, when that telephone is ringing, it means something to someone—and that someone is often YOU.

A. G. Edwards Sons To Admit to Firm

ST. LOUIS, Mo.—A. G. Edwards & Sons, 409 North Eighth Street, members of the New York Stock Exchange and other leading exchanges, on Jan. 17 will admit Floyd H. Beatty to partnership.

Reynolds & Co. To Admit to Firm

Reynolds & Co., 120 Broadway, New York City, member of the New York Stock Exchange, on Jan. 17 will admit David A. Harrison III to partnership in the firm.

Rodman & Renshaw Will Admit

CHICAGO, Ill.—Rodman & Renshaw, 209 South La Salle Street, members of the New York and Midwest Stock Exchanges, on Jan. 17 will admit George R. Joslyn to partnership.

Loewi & Co. Names Officials

MILWAUKEE, Wis.—Directors of Loewi & Co. Incorporated, at their annual meeting, elected a new President and also created the new position of Board Chairman, it was announced by the investment firm.

William L. Liebman

J. Victor Loewi

William L. Liebman, becomes the second President in the firm's 34 year history. Founding President, J. Victor Loewi was advanced to Chairman.

Mr. Liebman will continue to function as the General Manager of the statewide securities company, a role he has held for the past five years. Prior to that, Liebman was assistant to the President, Sales Manager and a Vice-President. He has been a director for the past 10 years.

The new Loewi President joined the firm as a trainee in 1946, fresh from army service, and worked up through the sales ranks. During his nearly 17 years with the company, Mr. Liebman has been closely identified with expansion of its sales and personnel training programs.

As Chairman, Mr. Loewi will be able to give greater attention to his expanding activity on numerous company boards, and in community and financial affairs.

Mr. Loewi currently serves as a director of 12 corporations, all but two of them in Wisconsin. He said:

"The growth of Loewi & Co. in recent years has been allied closely with the strengthening and expansion of Wisconsin industry. We have shared that growth, both through the underwriting of capital financing and in employment of our diversified services to business management in this state and elsewhere in the Middle West.

"My continuing role will be increasingly in these two business areas, and the transfer of the company presidency to Mr. Liebman is aimed to expedite my efforts."

The Milwaukee-based investment firm now has branch offices in 14 Wisconsin cities and two local suburbs, staffed by more than 165 persons. It was founded by Loewi in 1928 with just two employees.

Mr. Loewi, who is a member of the New York and the Midwest Stock Exchanges, also was Chairman of the Investment Bankers of America Industrial Securities Committee in 1961 and has been on the IBA's central states executive committee.

Currently, Mr. Loewi also is General Chairman of the Greater Marquette University Development Program, which has launched a drive to raise $30 million over the next 10 years.

Mr. Liebman recently was elected Vice Chairman of District Eight of the National Association of Securities Dealers. He is an associate member of the American Stock Exchange.

As We See It

Continued from page 1

The methodology is, however, foreign to the ideas of those who wrote the Constitution of the United States and of those other giants who for a century or more formulated and executed the policies and programs of the country. Whether it is the general attitude that is to the best interest of the country now is open to very serious question. It is true, of course, as Wilson was fond of pointing out, that leadership in the conduct of national affairs is essential and that a "strong" President is ideally suited to this task. At the same time, we must never suppose for a moment that all wisdom resides in the brains of the Chief Executive and his chosen advisers. The President is elected by the voters of the country at large and presumably tends more than individual members of Congress to view the problems and needs of the country as a whole—more so, that is, than individual members of Congress who are elected by small or relatively small segments of the people.

But, after all, Congress is a national body and is, or ought to be, responsible for national legislators is coter- to do with or is dependent upon legislation — and since virtually all policies or programs must depend upon funds provided by the Congress, the responsibility of our national legislators is co-terminous with the interest of the country as a whole. If the individual member of Congress has felt it needful to ask for support from the people back home primarily on the basis of some local interest, it is usually quite unfortunate, but certainly ought not blind the lawmaker to his obligation to the country as a whole. And, so it seems to us, there are an appreciable number of the members of the national legislature who so view their duties and responsibilities.

Minor Roles Now

The fact remains that not for a number of years has either house of Congress or any individual in either House played such roles as Carter Glass in banking or Underwood in tariff matters. True it is that both these legislators and the others who at various time have led in the formulation of vital national policies have had the support, usually the active support, of the White House. But this did not prevent these erstwhile-leaders from trying to prevent undesirable legislation reaching the statute books or in rendering as harmless as they could certain rather wild ideas coming from the other end of Pennsylvania Avenue. By and large, however, it must be said in all frankness that Franklin Roosevelt and others following him have succeeded in relegating Congress to a role of secondary, or perhaps better said a negative role in the formulation of national policies.

May we hope that the present Congress will arouse itself and reassume the role that its creators intended it to have? We must confess that up to this moment we can discover little if any indication of so desirable a consummation. Apparently the President is willing to modify his tax reduction (or is it tax reform, too?) in order to obtain support from Congress. But much of the change that is said to be acceptable to the White House is concerned with a deferral of the effective date of legislation in order to soften or weaken the opposition said to be strong in some sections of Congress to so substantial — or should we say irresponsible—an increase in deficit at a time when business is humming. The President is acutely aware of the weakness of members of Congress for legislation the full impact, particularly the financial impact, will not be felt for some time to come — one of the major reasons why it is so very difficult to reduce outlays at any point in time.

Where Are the Leaders?

Is there not somewhere in Congress a strong man or group of men who are able and willing to take the initiative in this matter of taxation, and begin the arduous task of a thorough overhauling of our existing tax structure, particularly those parts of it that were originally designed to soak the rich and make the less successful elements in the population believe that they were largely escaping taxes while they reaped the lion's share of the bounty provided by the taxes that the wealthy were paying? We now know, most of us always knew, that the system did not work as was expected. The rich were robbed but the unsuccessful suffered along with them since the system is highly destructive of initiative in business and hence a drag on employment and the income of those who must exist outside the monopolies set up by the labor unions.

Naturally, there are areas where a constructively minded Congress will simply refuse to cooperate with the President, areas where legislation of the sort demanded by the New Frontier simply must be put to sleep. It would be unfortunate if committee manipulation and local pressures succeed in permitting such legislation to reach the statute books. Some of these measures are to be condemned because they would increase outlays at a time when economy is quite evidently the need of the country. Others are unsound and undesirable in any and all events. May we not hope that members of Congress will have minds of their own concerning such matters?

Gen. American Transportation Equip. Ctfs. Sold

Public offering of $35,000,000 General American Transportation Corp. 4.30% equipment trust certificates due Jan. 15, 1983 was made by an underwriting group managed by Kuhn, Loeb & Co. Inc., New York. The certificates were priced at par and accrued interest.

They are secured by 2,865 railroad cars, principally tank cars, built by the company for its own fleet of specialized railroad freight cars at a cost of more than $38,880,000.

Net proceeds from the sale will be used to reimburse the company's treasury for the cost of the equipment securing the certificates. General American contemplates the expenditure of approximately $30,000,000 in 1963 for additions to its fleet of freight cars.

A sinking fund will retire 95% of the issue one year prior to maturity by the retirement of $1,750,000 principal amount of certificates in each year commencing in 1964. For the sinking fund the certificates will be redeemable at par and accrued interest. They also will be redeemable at the option of the company on and after Jan. 15, 1973 at prices ranging from 102% to par, plus accrued interest.

The principal business of General American Transportation is the supplying of its railroad freight cars to railroads and shippers for their use. The cars are supplied principally to shippers of chemical, petroleum and food products. The company owns and operates manufacturing plants, bulk liquid storage terminals and furnishes to industry a diversified line of products and services, in addition to manufacturing freight cars for its own fleet and for sale to other firms.

Stocks in 1963 Should Again Dominate Investment Plans

Continued from page 1

dangerously tempting to competition and, unless protected by unusual circumstances, bring about the profit margin squeeze that is so evident in our system today.

True "Bear Market" Doubtful

As competition continues to increase both from within our own country and from highly efficient industrial plants abroad, capable and experienced management becomes a most important factor in any investment program. The available shares of well situated American companies is so limited in relation to the ever increasing number of newly created dollars seeking investment that the possibility of a true "bear market" in American equities is almost eliminated. This form of inflation as it particularly affects stock prices is not being given proper weight in current investment discussions.

The ever increasing efficiency of American industry to produce more goods at reasonable prices has kept the endless expansion of spendable dollars from unduly affecting the general price level. Therefore, many investors have lost their fear or concern of inflation and seems to view the ever continuing national budget deficits as a part of a new "normality." For many years this attitude has proven to be correct for the American industrial system was so strong and so prolific that it could withstand this currency tinkering with little outward effect.

The fear that this attitude could not exist forever did not originate within the United States but, rather, from abroad. Foreign nations have had much more experience with currency manipulations than ourselves and as early as 1958 began a marked withdrawal of gold from this country. Our present serious foreign exchange problems and continuing loss of gold is the normal result we must expect from our many years of fiscal recklessness. To make matters even worse, the present solution now being offered is to create even larger deficits by reducing income tax rates. This is on the assumption that greater business volumes will follow and eventually larger tax collections will painlessly correct this whole problem. The endless creation of currency units seems so painless at the time that even conservative citizens adopt its virtues for, at least, it appears to put off the need for real solution until "tomorrow." There appears today no early hope for a balanced budget or any reduction in the National Debt in the foreseeable future and indicates that the purchasing power of the dollar will surely and continuously decline.

Quiescent Inflation Threat

Although little is being said about this real inflationary threat as far as stock prices are concerned, no problem affecting the future value of American shares is more urgent. The fact that there is presently so little concern only adds to the danger, for, as had been said before, "problems that are known and accepted have already had their affect in the market place." New problems can, however, drastically effect investment thinking. This ever present problem of "monetary inflation" is not new but, rather, it is quiescent. It is impossible and actually not too important to tell when investment thinking will again strongly focus on this "inflation problem." If and when they do, the price levels of those relatively few American company shares that may offer some actual protection will be spectacular. The advances could even surpass the price movements of the so-called "glamour stocks" of 1960 and 1961 — only in this case we would be playing for "keeps" for once inflation gets out of hand there is no record of any return to previous purchasing power levels. It may still be that the seriousness of our fiscal situation will be admitted and the ever decreasing purchasing power of the American dollar will be stopped. As of today, however, there is little comfort in the proposals being brought forth by our government.

Good Stocks Recover

The present level of stock prices is not unduly high and most of the enthusiasm for stocks that existed only a year ago has disappeared. It is also a fact that during a major stock market decline all stocks, good and bad, will decline but after the full force of the emotional selling is past the good stocks will slowly recover while poor stocks continue to decline. This has been the pattern of the market since June 1962. Many leading stocks like Standard Oil of New Jersey, Standard Oil of California and Texaco in the oils; General Motors and General Electric in the industrials; Union Pacific in the railroads and many of the leading utilities have largely regained their 1962 losses. On the other hand, the previously popular "glamour stocks" continue to sell at a fraction of their 1962 highs and have shown little, if any, price recovery. Thus, the role of the stock market in reflecting investment value is being demonstrated again and excluding some truly unexpected national catastrophe, reason — not emotion — will govern prices in 1963.

At the end of the Second World War in 1945, the general investment belief was that difficult and troubled times lay ahead for American business. As a result, stock prices were low, dividend yields of 6% were available on the best securities and public interest in buying these shares was small. On the other hand, holders of investable funds were willing and anxious to invest in bonds at yields of 3% in order to obtain a "safe return." History has shown that both these conclusions were wrong. Stocks purchased during this period have been spectacularly attractive and bond interest rates have so increased that many of the bonds purchased during that era are still selling sharply below cost. Only a year ago bonds of the highest rated companies were available to yield 5% and common stocks were deemed highly desirable at 25 to 50 times current earnings and yielding 2% to 3% on current dividends. If there is a moral to this it might be that to act correctly in investments one must do what is popularly considered "wrong" at the time for popular opinions in the security markets are usually wrong.

On this theory, and taking into account the ever present factor of inflation, there seems little risk in buying common stocks at present market levels. Although bond yields have declined during the past year, the available 4¼% to 4½% return on "taxable" bonds and the 3% to 3½% return on "tax free" bonds are still reasonably generous in terms of 1946 to 1955 average returns. The risk today is to hold cash or stocks of companies which will not participate or benefit from the type of business activity that lies ahead. Quality of management will be most important and the record of management over the past five difficult years can be the best evidence of what can be expected in the future.

True invesment procedure is at best a compromise. We must not expect perfection—neither can we tolerate failure. Experience has shown that a balance must exist between bonds and fixed income securities on one hand and stocks and real estate on the other. During the past few years a preponderance of fixed income investments and cash has been prudent. The outlook for 1963 indicates that, once again, equity investments should dominate investment planning.

Kumm, Wahl With Ira Haupt Co.

J. William Kumm has become associated with Ira Haupt & Co., 111 Broadway, New York City, members of the New York Stock Exchange, in their corporate trading department. An early member of the Security Traders Association of New York and the National Security Traders Association, Mr. Kumm is well known throughout the country's broker-dealer business. He was formerly with Hill, Darlington & Grimm, and more recently with Cruttenden, Podesta & Miller through a merger of the two firms.

J. Wm. Kumm

Mr. Kumm will be joined at Ira Haupt & Co. by Laurence F. Wahl, who has been associated with him for the past several years.

Taylor, Rogers Names Rahn V.-P.

CHICAGO, Ill.—Fred T. Rahn has been appointed a Vice-President of Taylor, Rogers & Tracy, Inc., 105 South La Salle Street, members of the New York Stock Exchange.

Fred T. Rahn

Prior to joining Taylor, Rogers & Tracy, Mr. Rahn was employed by the Illinois Co. for the past 25 years. He attended Northwestern University and the Wharton School of Finance at the University of Pennsylvania.

Mr. Rahn's primary activity will be with the firm's sales department specializing in institutional type sales.

He is a past President of the Security Traders Association of Chicago and a member of the Bond Club and Municipal Bond Club.

Wm. C. Roney Co. To Admit Hamilton

DETROIT, Mich.—Effective Jan. 10 Clifford S. Hamilton has been admitted to partnership in Wm. C. Roney & Co., Buhl Building, members of the New York Stock Exchange and other leading exchanges.

Exchange Firms Govs. Meetings

Association of Stock Exchange Firms will hold the winter meeting of the Board of Governors at the Sheraton - Lincoln Hotel, Houston, Texas, Jan. 28-29, 1963.

The spring meeting of the Board of Governors will be held at John Marshall Hotel, Richmond, Virginia, May 6-7, 1963.

Barcus, Kindred Names Donadio

CHICAGO, Ill.—Louis A. Donadio has been appointed Manager of the municipal bond trading department for Barcus, Kindred & Company, 231 South La Salle St., dealers exclusively in municipal bonds.

Prior to joining the firm, Mr. Donadio was employed by Hornblower & Weeks for one year. He has six years experience in the municipal field.

Mr. Donadio attended Brooklyn College and the New York Institute of Finance. He is a member of the Municipal Bond Club of Chicago and the Exemptors.

This staff addition represents the broadening of services offered by the firm and also signals the firm's accelerated activity in the secondary municipal bond market.

NEWS ABOUT BANKS AND BANKERS

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

Eugene R. Black

Eugene R. Black, whose resignation as President of the International Bank for Reconstruction and Development became effective January 1, has joined the **Chase Manhattan Bank, New York,** as a Director and Consultant, it was announced over the week end.

In his new post, Mr. Black will maintain an office at the bank's head office building in the Wall Street area and will be available for consultation on a wide variety of banking matters, particularly in the international sphere. He will also serve on the executive committee of the Bank's Board of Directors, and as a Director of the Bank's foreign financing subsidiary, Chase International Investment Corporation.

Mr. Black had served with the **Chase National Bank,** predecessor to Chase Manhattan, from 1933 to 1949, when he became president of the World Bank.

* * *

THE FIRST NATIONAL CITY BANK OF NEW YORK

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	10,280,323,775	9,297,726,771
Deposits	9,141,539,698	8,103,830,498
Cash and due from banks	2,564,266,366	1,944,859,861
U. S. Govt. security holdgs	1,493,724,419	1,476,928,310
Loans & discts	4,960,933,305	4,703,701,983
Undivid profits	148,474,514	140,022,961

* * *

The appointment of Daniel C. O'Connor as Assistant Treasurer at **The Bank of New York** has been announced. Mr. O'Connor has been assigned to the International Department.

* * *

MANUFACTURERS HANOVER TRUST COMPANY, NEW YORK

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	6,532,402,555	5,857,165,781
Deposits	5,674,454,983	5,041,845,941
Cash & due from banks	1,758,636,403	1,508,705,953
U. S. Govt. security holdgs.	975,087,515	997,991,819
Loans & discts.	2,769,708,362	2,389,104,198
Undivid. profits	86,767,553	89,780,687

* * *

The **Sterling National Bank & Trust Co. of New York** elected Robert F. Fechtel, formerly Assistant Vice-President of **Chase Manhattan Bank,** a Vice-President.

* * *

MORGAN GUARANTY TRUST COMPANY OF NEW YORK

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	5,313,607,035	4,943,872,269
Deposits	4,381,189,847	3,935,477,904
Cash and due from banks	1,095,033,800	1,022,415,079
U. S. Govt. security holdgs.	596,217,401	749,330,764
Loans & discts.	2,712,856,425	2,398,518,617
Undivid. profits	165,740,512	160,635,815

* * *

Berry O. Baldwin, Alfred S. Olmstead and Richard B. Schneider have been elected to the newly created office of Senior Vice-President of **Empire Trust Company, New York.**

* * *

The **Lafayette National Bank, Brooklyn, N. Y.,** made Herdic W. King Vice-President and Senior Trust Officer. He formerly was Assistant Vice-President, of the **Chase Manhattan Bank, N. Y.** Joseph L. Pecorella was also elected a Vice-President.

* * *

CHEMICAL BANK NEW YORK TRUST COMPANY, NEW YORK

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	5,246,135,618	4,740,968,176
Deposits	4,562,502,942	3,990,429,863
Cash and due from banks	1,157,190,072	897,655,565
U. S. Govt. security holdgs.	636,986,862	560,873,626
Loans & discts.	2,562,959,142	2,457,571,920
Undivid. profits	47,006,939	92,461,162

* * *

The **Bank for Savings, New York,** made John L. Westney a Vice-President.

* * *

The **Meadow Brook National Bank, West Hempstead, N. Y.,** promoted William A. Brindley, Jr., to Vice-President.

* * *

BANKERS TRUST COMPANY, NEW YORK

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	3,934,580,367	3,517,819,966
Deposits	3,476,441,549	3,050,153,621
Cash and due from banks	1,029,967,380	823,055,986
U. S. Govt. security holdgs.	584,028,437	446,739,029
Loans & discts.	1,825,407,581	1,778,788,285
Undivid. profits	72,389,174	70,884,362

* * *

The **Franklin National Bank, Amityville, New York** made James G. Smith a Senior Vice-President.

* * *

BANK OF NEW YORK

	Dec. 31, '62	Sept. 30, '62
Total resources	$775,897,093	$598,667,187
Deposits	676,162,145	500,690,074
Cash and due from banks	296,121,259	137,389,474
U. S. Govt. security holdgs.	100,028,601	99,091,852
Loans & discts.	315,873,382	298,167,626
Undivid. profits	12,827,181	12,186,911

* * *

The **County Trust Company, White Plains, N. Y.** was given approval to increase its Capital Stock from $8,917,170 consisting of 1,783,434 shares of the par value of $5.00 each, to $9,348,420 consisting of 1,869,684 shares of the same par value.

* * *

BROWN BROTHERS HARRIMAN AND COMPANY, NEW YORK

	Dec. 31, '62	June 30, '62
Total resources	$301,456,130	$289,753,190
Deposits	259,625,780	248,658,499
Cash and due from banks	78,557,774	66,855,703
U. S. Govt. security holdgs.	52,896,831	59,964,303
Loans & discts.	93,360,180	79,221,018
Captl. & surplus	19,045,283	19,005,283

* * *

The **Lincoln Rochester Trust Co., N. Y.** elected J. C. McCurdy Chairman. Succeeding John W. Remington, who retired.

* * *

THE GRACE NATIONAL BANK OF NEW YORK

	Dec. 31, '62	Sept. 30, '62
Total resources	$272,030,034	$245,162,082
Deposits	232,786,641	208,610,285
Cash and due from banks	58,216,792	52,772,191
U. S. Govt. security holdgs.	49,996,697	49,780,744
Loans & discts.	127,059,925	109,418,870
Undivid. profits	5,424,059	4,825,657

* * *

The **First Trust Company of Allegany County, Wellsville, N. Y.,** was given approval to increase its Capital Stock from $508,650 consisting of 50,865 shares of the par value of $10 each, to $628,650 consisting of 62,865 shares of the same par value.

* * *

FEDERATION BANK AND TRUST CO., NEW YORK

	Dec. 31, '62	Mar. 31, '62
Total resources	$259,148,140	$203,393,500
Deposits	234,588,230	180,203,600
Cash and due from banks	51,907,587	33,925,000
U. S. Govt. security holdgs.	37,055,765	37,109,900
Loans & discts.	145,807,165	110,546,500
Undivid. profits	1,430,314	1,744,800

The **National Shawmut Bank of Boston, Mass.** made Lawrence H. Martin, President, Chief Executive Officer and Chairman of the Board. He succeeds Horace Schermerhorn, the former Chairman, who retired.

F. Thayer Sanderson, formerly a Trust Officer of the **Lincoln Rochester Trust Company, Rochester, N. Y.,** has also joined the staff of the **National Shawmut Bank of Boston** as Vice-President and Trust Officer.

* * *

J. HENRY SCHRODER BANKING CORPORATION, NEW YORK

	Dec. 31, '62	June 30, '62
Total resources	$143,786,408	$155,041,882
Deposits	91,791,468	98,329,465
Cash and due from banks	21,267,062	23,795,242
U. S. Govt. security holdgs.	27,985,249	30,376,187
Loans & discts.	41,246,701	40,488,392
Undivid. profits	3,585,143	3,528,688

* * *

The **Broad Street Trust Co., Philadelphia, Pa.,** promoted J. Phillip Dunn to Vice-President and Senior Trust Officer.

* * *

The election of Gilbert H. Perkins to the Board of Directors of **The First National Bank of Jersey City, N. J.,** was announced.

* * *

SCHRODER TRUST COMPANY, NEW YORK

	Dec. 31, '62	June 30, '62
Total resources	$87,853,658	$87,728,742
Deposits	78,354,458	78,157,877
Cash and due from banks	14,533,468	15,835,764
U. S. Govt. security holdgs.	25,406,367	22,292,261
Loans & discts.	39,361,070	41,815,528
Undivid. profits	1,623,956	1,501,873

* * *

The **New Jersey Bank & Trust Co., Passaic, N. J.,** elected Perley L. Folsom and Ewald S. Schoeller Senior Vice-Presidents and Floyd Gurney Vice-President nad Secretary and Robert E. Holloway, George H. Schmitz and Martin Schoettly, Vice-Presidents.

* * *

KINGS COUNTY TRUST COMPANY, BROOKLYN, NEW YORK

	Dec.31, '62
Total resources	$104,929,237
Deposits	92,891,731
Cash and due from banks	10,879,143
U. S. Govt. security holdings	25,886,267
Loans and discounts	31,739,412
Undivided profits	1,267,436

* * *

The **Delaware Trust Co., Wilmington, Delaware,** elected Thomas Tatnall, a Director.

* * *

NATIONAL BANK OF WESTCHESTER, WHITE PLAINS, NEW YORK

	Dec. 31, '62	June 30, '62
Total resources	$312,417,701	$281,768,627
Deposits	286,318,459	257,961,944
Cash and due from banks	32,717,280	24,726,496
U. S. Govt. security holdgs.	69,907,255	89,008,876
Loans & discts.	98,722,889	75,674,690
Undivid. profits	2,787,757	3,132,895

* * *

The **First National Bank, East Chicago, Ind.,** elected Stephen T. Simon Executive Vice-President, and John J. Dee a Senior Vice-President.

* * *

THE FIRST NATIONAL BANK OF PASSAIC, NEW JERSEY

	Dec. 31, '62	June 30, '62
Total resources	$277,313,909	$260,163,930
Deposits	251,957,109	235,696,352
Cash and due from banks	31,028,859	28,990,843
U. S. Govt. security holdgs.	61,714,850	51,210,192
Loans & discts.	78,170,142	135,042,213
Undivid. profits	5,115,142	5,189,816

* * *

The **Milwaukee Western Bank, Milwaukee, Wisc.,** elected R. M. Gehl, a Director.

* * *

PALISADES TRUST COMPANY, ENGLEWOOD, NEW JERSEY

	Dec. 31, '62	June 30, '62
Total resources	$34,668,027	$31,701,672
Deposits	32,010,037	29,082,559
Cash and due from banks	4,915,580	3,222,191
U. S. Govt. security holdgs.	11,035,328	9,691,552
Loans & discts.	7,253,038	7,971,169
Undivid. profits	321,600	376,670

* * *

The **Crocker-Anglo National Bank, San Francisco, Calif.,** made Charles L. Van Horne, former President of **First National Bank of Hastings, Neb.,** a Vice President.

* * *

THE CHASE MANHATTAN BANK, NEW YORK

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	10,932,323,095	9,399,056,947
Deposits	9,631,947,815	8,114,014,602
Cash and due from banks	3,054,215,055	1,976,797,984
U. S. Govt. security holdgs.	1,459,600,599	1,382,861,453
Loans & discts.	5,105,847,078	5,050,556,334
Undivid. profits	74,276,769	69,031,356

* * *

THE FAIRFIELD COUNTY TRUST COMPANY, STAMFORD, CONN.

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	236,360,787	221,861,777
Deposits	210,450,365	196,405,779
Cash and due from banks	28,382,261	16,498,584
U. S. Govt. security holdgs.	33,187,186	41,786,862
Loans & discts.	149,488,008	140,003,214
Undivid. profits	2,960,974	2,484,541

* * *

THE SECOND NATIONAL BANK, ASHLAND, KENTUCKY

	Dec. 31, '62	Sept. 30, '62
Total resources	$35,845,974	$34,051,942
Deposits	32,479,011	30,548,665
Cash and due from banks	7,901,677	6,871,627
U. S. Govt. security holdgs.	9,000,126	10,057,274
Loans & discts.	14,248,700	12,551,310
Undivid. profits	337,065	456,568

* * *

Richard L. Shanaman has joined **The Bank of California, San Francisco, Calif.,** as Assistant Vice-President. He will be attached to the Business Development Section of the bank.

Mr Shanaman for the past four years has served as an official of the **First National City Bank of New York.**

* * *

The **Central Valley National Bank, Oakland, Calif.,** elected George L. Tocalino Vice-President and Manager of the Novato, Calif., office.

* * *

BANK OF HAWAII, HONOLULU, HAWAII

	Dec. 31, '62	Dec. 31, '61
Total resources	$403,405,291	$382,877,242
Deposits	361,411,294	345,086,953
Cash and due from banks	73,526,738	62,424,863
U. S. Govt. security holdgs.	82,955,300	103,746,721
Loans & discts.	214,133,199	189,039,478
Undivid. profits	8,306,444	6,800,545

* * *

THE FRANKLIN NATIONAL BANK OF LONG ISLAND, MINEOLA, N. Y.

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	1,160,976,922	1,052,925,222
Deposits	1,043,906,948	958,374,389
Cash and due from banks	112,519,491	77,107,053
U. S. Govt. security holdgs.	224,389,393	200,469,320
Loans & discts.	578,000,870	567,800,431
Undivid. profits	7,562,794	5,841,291

* * *

Major moves at the senior level of **Bank of America, San Francisco, Calif.,** were announced as Executive Vice-President Louis B. Lundborg at the San Francisco Head Office was selected for a newly created general administra-

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News About Banks-Bankers

Continued from page 23

tive post at the Los Angeles Headquarters of the bank.

At the same time, Senior Vice-President D. C. Sutherland was named Executive Officer in charge of the bank's statewide and national business relationships, the position being vacated by Lundborg to accept his new appointment.

President S. Clark Beise announced that Lundborg, as a Senior Executive, will work closely with Chairman of the Board Jesse W. Tapp and Executive Vice-President Harry M. Bardt in the administration and direction of the bank's activities in southern California.

Mr. Lundborg, a member of the bank's Managing Committee and the Advisory Council of the Board of Directors, will take up his new duties in mid-February.

* * *

The **City National Bank of Beverly Hills, Beverly Hills, Calif.,** elected William L. Olsen Senior Vice-President.

* * *

The **Bank of America, San Francisco, California,** elected John A. Guilbert and Julius F. Saccone as Vice-Presidents.

* * *

SECURITY NATIONAL BANK OF LONG ISLAND, N. Y.

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	264,198,563	256,280,668
Deposits	241,745,877	234,025,696
Cash and due from banks	26,636,469	25,356,334
U. S. Govt. security holdgs.	48,291,177	48,408,988
Loans & discts.	90,652,473	82,802,762
Undivid. profits	1,000,688	1,076,575

Alfred J. Mayman, Senior Vice-President of **The Bank of California, N. A., San Francisco, Calif.,** retired Dec. 31 after 41 years of service.

He joined the bank in 1921, was appointed Vice-President in 1946, Vice-President and Cashier in 1953 and has served as Senior Vice-President since 1957.

* * *

THE CONNECTICUT BANK AND TRUST COMPANY, HARTFORD, CONN.

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	560,219,898	485,218,393
Deposits	481,921,307	431,991,767
Cash and due from banks	150,002,771	95,875,011
U. S. Govt. security holdgs.	84,564,138	84,675,187
Loans & discts.	245,887,577	237,935,015
Undivid. profits	8,390,425	7,693,531

* * *

The **City National Bank of Beverly Hills, Beverly Hills, Calif.,** elected Armand Hammer, a director.

* * *

THE NATIONAL BANK OF DETROIT, MICHIGAN

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	2,395,409,833	2,238,806,074
Deposits	2,178,777,741	1,999,443,327
Cash and due from banks	535,591,438	437,855,866
U. S. Govt. security holdgs.	632,009,024	634,936,167
Loans & dicsts.	902,995,807	846,206,906
Undivid. profits	30,586,069	28,100,997

* * *

THE MEADOW BROOK NATIONAL BANK OF SPRINGFIELD GARDENS, NEW YORK, N. Y.

	Dec. 31, '62	Sept. 30, '62
	$	$
Total resources	792,511,136	707,476,765
Deposits	704,298,716	622,674,616
Cash and due from banks	141,407,134	119,630,979
U. S. Govt. security holdgs.	122,534,966	113,386,849
Loans & discts.	419,091,902	404,914,966
Undivid. profits	8,629,424	7,290,663

The **First National Bank of Nevada, Reno, Nev.,** named R. O. Kwapil, Jordan J. Crouch and J. J. Sbragia to Senior Vice-Presidents.

* * *

The **Bank of Hawaii, Honolulu,** announced that H. Howard Stephenson, has been named a Vice-President.

William V. Ward has been promoted to Vice-President.

* * *

The Bank of Hawaii, Honolulu, Hawaii, elected Edward A. Schneider, President, effective Jan. 24, succeeding Julian R. Davis, who is retiring.

Heads Wertheim's Unlisted Stock Trading Dept.

Jack Wertheim has been appointed manager of the unlisted trading department of Wertheim & Co., 1 Chase Manhattan Plaza, New York City, members of the New York Stock Exchange.

Troth Joins Middendorf Firm

David R. Troth has become associated with Middendorf, Colgate & Co., 51 Broad Street, New York City, members of the New York Stock Exchange, as bank stock analyst.

Outlook for Interest Rates Revolves Around Tax Cut

Continued from page 3

icy. Since rates of interest in our domestic credit markets usually are lower than those available abroad, the development of greater freedom for international credit and capital movement tended to pull funds out of this country, adding to the deficit in our balance of payments. In particular, movements of short-term funds tend to respond to interest rate differentials because it is possible to guard against the risk of currency revaluation by hedging the short-term foreign investment through the simultaneous forward sale of the currency in which the investment is made.

Various arrangements and procedures have been developed by the Federal Reserve and the Treasury to defend against capital outflow induced by interest rate differences. In particular, every effort has been made to prevent short-term rates in our market from falling to levels that would encourage capital outflow. As a result, short-term rates today are higher than they were a year ago, although almost all other rates are lower. The Treasury and Federal Reserve's success in holding up short rates while simultaneously maintaining an easy availability of bank reserves sometimes appears to have been done with mirrors. But it has been successful. One consequence has been that rates of interest at all maturities, not just at the short end, probably are somewhat higher today than they would have been if public policy for balance of payments reasons had not anchored the short-term rate structure.

Economic Outlook

Against this background, let us now turn to the outlook. First, what are the economic prospects for 1963? Only a few weeks ago most economists were predicting a minor recession during the next six to nine months. Talk of imminent recession now appears to have diminished, however, and currently the "standard forecast" is for a continuation throughout 1963 of the gradual rate of economic expansion that we have had for the past several months. This forecast is consistent with the statistical evidence.

The type of economic growth now projected would, however, fall short of what most of us would consider satisfactory. Such aggregate measures as gross national product, personal income, total employment and retail sales would advance slowly and irregularly. But other measures as the unemployment rate, industrial production and corporate profits would be flat or might even worsen. In other words, the most likely prospect for 1963 is that there will be neither a recession nor a rate of growth adequate to provide job opportunities for our growing labor force or to induce businessmen to increase their outlays for new plant capacity.

Should the economy follow this pattern in 1963, strong pressure probably would develop in support of the tax reduction the President has indicated he will propose early in the new Congress. There are so many uncertainties involved that it would be pointless to attempt to assess the likelihood of a large tax cut next year. In any case, even if a tax cut were to be enacted, its economic impact probably would not be felt until rather late in the year and should not materially affect the economic forecast. Passage of such a tax bill could, however, have a rather prompt effect upon interest rates as the market adjusted to the anticipated increase in credit demands. I will return to this point later.

A rate of economic growth through 1963 similar to the pattern for this year would not generate an increased demand for credit. The tendency for credit demands to fall short of the available supply of loanable funds that has characterized the past three years would still prevail, with the result that the net pressure from the private economy would continue to be toward lower rates of interest. A review of the outlook for the principal uses of credit would help to ilustrate this conclusion.

Principal Non-Government Uses of Credit

The year 1962 has been a good one for residential construction and thus for new mortgages. On a total of more than 1.4 million private non-farm housing starts plus transfers of existing property, gross new mortgage borrowing in 1962 probably will exceed $31 billion. This would be a new record. It does not seem likely that housing starts and new mortgage creation in 1963 will be much if any better than the 1962 record. Meanwhile, the steady year-to-year growth in amortization of outstanding mortgages might actually reduce the net increase in residential mortgage debt from this year's record total of more than $19 billion.

Consumer credit outstanding will grow by about $4 billion this year, an amount exceeded only in 1955 and 1959. The spectacular sales of new autos in October and November plus strength in other consumer durable goods suggest that 1963 will be another good year for consumer credit. But once again it is necessary to ask how much improvement over the 1962 performance might be expected, particularly in view of the steady growth in repayments. It would be necessary that sales of new autos and of other goods for which consumer credit usually is used be little short of phenomenal for the net growth in 1963 to be substantially greater than this year.

The prospect for credit demands from business corporations in 1963 follows a similar pattern. It is anticipated that spending on new plant and equipment during 1962 will total $37 billion, up more than $2.5 billion from 1961. But as a result of sharply higher depreciation accruals (due partly to the investment tax credit bill) and other internal sources of funds, net new corporate stock and bond issues actually will be less than in 1961. Similarly, corporate inventories and accounts receivable are both sharply higher this year, but an abundant supply of internal funds has made it possible for corporations to hold their borrowing from banks to a minor fraction of their total uses of funds. Corporations plan a further small increase in plant and equipment spending during 1963 and inventories will probably rise somewhat. But it is unlikely, assuming the gradual rate of economic growth now forecast for next year, that the increase in the need for funds will even match the increased availability of funds from internal sources. Net new issues of corporate stocks and bonds and net new borrowing from banks probably will not exceed this year's total.

The other major users of credit outside the Federal government are the State and local governments. Their gross borrowing for new money this year probably will be somewhat greater than last year, and a further small increase is expected in 1963. After allowance is made for maturities and retirements, however, the net increase in outstanding bonds this year should be about the same as last year, and 1963 is likely to be about the same as 1962.

Summing up the demands for credit, excluding Federal government, it is difficult to make a case for a substantially larger demand for credit than we have had in 1962 unless the economy develops considerably more strength than now appears likely. Meanwhile, with personal incomes rising the availability of funds from current saving should be expected to increase. In short, the balance of forces in the non-Federal government sector probably will be in the direction of slightly lower rates of interest.

Government and Federal Reserve Influence

Predicting the influence of the Government's fiscal and monetary policies upon the interest rate outlook is particularly difficult at this time. First, let us look at the situation on the assumption that taxes are not reduced next year. The cash budget might then run a small surplus during the first half of the calendar year and a deficit of perhaps $8 billion in the last half of the year. For 1963 as a whole, net Government borrowing might about equal the $7 billion or so that the Treasury will have borrowed this year. The Government's cash needs in this case would partly offset the pressure toward lower interest rates, as they have this year.

If the economy continues to advance only gradually and if a large tax cut is not enacted, there is no reason to expect Federal Reserve policy to change significantly. Monetary policy has been easy for the past two years, and a lagging, inflation-free economy would not justify a tighter policy. At the same time, it should be expected that the Federal Reserve System will continue to be concerned about the international position of the dollar. Our balance of payments deficit this year will be only about $2 billion, the best showing since 1957, and there is a good possibility that the deficit may be further reduced next year. But the progress that has made both in the statistical balance and in foreign confidence in the dollar has been at least partly a result of Treasury and Federal Reserve efforts to maintain our short-term interest rates at internationally competitive levels. It would be exceedingly dangerous to abandon these efforts just at the time we may be making some headway toward the longer-run adjustments that are necessary before we can be confident that our international accounts are in equilibrium and the dollar is safe.

On balance, therefore, if our economic forecast proves to be accurate and there is no tax cut, we may expect the Government's influence upon interest rate movements to be about the same as it has been this year. On the one hand, an easy monetary policy will continue to assure a ready availability of credit to satisfy all borrowing requirements. On the other hand, a large Treasury deficit will exert some pressure on the credit markets and combined Treasury-Federal Reserve policy will be aimed at holding short-term interest rates up. The net effect should be to offset some of the pull toward lower rates of interest from the private sector.

Barring a tax cut, the net result of all the forces at work should be flat or gradually declining interest rates. Minor movements about present levels should be expected in the case of taxable obligations and the trend, if a trend emerges, should be slightly downward. Rates of interest on tax-exempt obligations might fluctuate more widely and, if commercial bank buying diminishes, rates of interest could advance from present levels. However, since the taxable equivalent yield on municipals is still more attractive than on alternative investments, it is unlikely that tax-exempt yield movements should depart too far from those projected for taxable investments.

Tax Cut Bearish for Bonds

A large tax cut could have important and, from present perspective, unpredictable implications for the interest rate outlook in 1963. Even if a person were competent to predict whether or not the Congress will approve a tax cut of any kind in the face of a large deficit already in prospect, there would remain the task of suggesting the size, timing, characteristics and so forth of the bill.

All that can be predicted with any assurance is that a tax cut would be bearish for bond prices—would tend to create higher interest rates than there otherwise would have been. A sufficiently large tax cut, perhaps including some reform of the tax structure, might prove to be an energizing influence that could trigger a rate of economic growth that would reverse the downward interest rate trend of the past few years. But all such speculation at this juncture is necessarily rooted in ignorance.

It would be wise to follow the discussion of tax legislation very carefully during the next several months, somewhat in the way we follow the important economic indicators. But it would not be wise to permit speculation on the likelihood of a tax cut to have an important influence on our investing decisions. Each bank has what is for it, in its peculiar circumstances, the proper balance between risk, yield and liquidity in its investment portofolio. The outlook for interest rates must always, of course, be a factor in striking this proper balance. At present, the best forecast would seem to be that interest rates are not going to change significantly. At least, until something occurs to change the picture, there would appear to be little prospect of significantly better rates.

*An address by Mr. Gaines at his bank's conference of bank correspondents.

To Head Div. of Charity Drive

James G. Baldwin, Administrative Vice-President and Secretary of the Marine Midland Trust Company of New York, has been named Chairman of the Downtown Commercial Banks Division of the New York Arthritis and Rheumatism Foundation, it was announced by Alexander R. Piper, Chairman of the Foundation's Downtown Business and Professional Committee.

James G. Baldwin

Mr. Baldwin is heading a drive for funds within the commercial banking field to aid the Foundation. This year the Foundation has set an overall campaign goal of $1,000,000 for the metropolitan area.

Funds raised in the drive will support the Foundation's programs of direct services for arthritis sufferers, research to improve treatment and to find a cure for arthritis, and education for physicians and the public. The Foundation's research program is aimed at attracting and training promising young scientific investigators, to meet the greatest need in research today.

Recognized as the nation's greatest crippler, arthritis today claims 12,000,000 victims, of whom 3,000,000 are physically handicapped.

Mr. Baldwin is Treasurer and director of the Midtown International Center, Inc., and of the Sportsmanship Brotherhood, Inc. He is a member of the Bankers Club of America and the Hempstead Country Club.

Genesco Inc. Preferred Offered

Public offering of 185,000 shares of Genesco Inc. $4.50 cumulative convertible preferred stock, at $100 per share, was announced by Blyth & Co., Inc., New York and associates.

Net proceeds from the sale will be used in part to retire the company's outstanding 4.5% unsecured notes due Oct. 2, 1963 in the principal amount of $5,000,000, and the outstanding 5% notes due April 1, 1969 in the principal amount of $1,895,000.

The balance of the proceeds will be added to working capital and applied to the retirement of short-term bank notes as they mature.

The preferred stock is convertible, at the option of the holders, into common stock of the company at the initial conversion price of $40 per share. The preferred stock will also be redeemable at optional redemption prices ranging from $104.50 per share to $100 per share, and for the sinking fund at $100 per share, plus accrued dividends in each case.

In addition, the company is offering 111,379 shares of the cumulative convertible preferred stock to holders of record Jan. 31, 1963, of its outstanding cumulative preference stock in exchange for their shares on the basis of one share of the convertible preferred stock for each share of cumulative preference stock.

Headquartered at Nashville, Tenn., Genesco and its consolidated subsidiaries are engaged principally in the manufacture of apparel and footwear for men, women and children, and the sale of these products through both wholesale and retail outlets. Genesco's product brand names include: Jarman, Fortune, Johnston & Murphy in men's shoes; I. Miller, Mademoiselle, Christian Dior, Laird Schober, Ingenue, Cover Girl, in women's shoes; and Formfit and Rogers Lingerie in women's apparel.

First Union Rlty. Shares Offered

Public offering of 880,000 shares of beneficial interest of First Union Realty (Cleveland, Ohio), real estate investment trust, is being made by an underwriting group managed by Harriman Ripley & Co., Inc., New York, and Hayden, Miller & Co., Cleveland. The offering price is $13 per share.

Net proceeds from the sale together with proceeds of an $11,500,000 mortgage loan, will be used to acquire the 55 Public Square Building, a 22-story, three year old office building in downtown Cleveland, including a related six-story garage building and one-story restaurant building.

Major tenants include The Cleveland Electric Illuminating Co., head offices of large industrial companies, district offices of several transportation and industrial companies and other large organizations operating on a nationwide basis and some of Cleveland's leading advertising agencies.

First Union Realty also owns the Union Commerce Building in Cleveland. The building was acquired on Oct. 31, 1961 from the Union Commerce Bank and leased back to the bank.

Upon completion of the purchase of the 55 Public Square Building, outstanding capitalization of First Union Realty will consist of $24,782,077 mortgage debt and 1,940,000 shares of beneficial interest.

MUTUAL FUNDS

BY JOSEPH C. POTTER

Throgmorton's Sideline

A chronic criticism leveled at the fund business, and not wholly groundless, is that it employs too many folks, especially in sales, to whom the work is a sideline. In 1962, a year marked by scant profit and few laughs for the Financial District, an investment counselor, who may be called learned since he studied business administration at Columbia and not the Wharton School, also took on a sideline: he wrote a book about the denizens of the Canyon.

Entitled "Bulls, Bears and Buffaloes" (Vantage Press, $2.50) the author has chosen to go by the name of Throgmorton C. Van Tillingham. The moonlighting author it is understood, decided to withhold his identity because he is going to make investment counselling his career.

Anyhow, " B. B. & B." largely is the kind of delightful nonsense that too few folks in the investment community permitted themselves in the spring of 1962. Throgmorton must have had fun and may even yet get himself some sizable royalties to offset the losses he probably suffered last year in the marketplace.

More delightful than nonsensical is his commentary on price action. Throgmorton writes: "In recent years, as the bulls pushed the market into higher and higher ground, a number of the more energetic denizens of the marketplace realized that the question of intrinsic value was becoming cloudier and cloudier. Many stocks selling at 25 to 40 times earnings would have book values of less than 10% of market price. Growth was the fad, and it was fashionable to project the rate of growth of a 'growth' company for many years into the future to justify its price. The question as to how many years to project was left open."

We hasten to give the reader a close-up view of the author's buffaloes who, in his view, constitute the third most important influence in the marketplace, behind the bulls and bears. Indeed, the author wonders whether the buffaloes have not surpassed the bears in numbers. He adds:

"Actually the similarity of the buffaloes to the bulls is quite remarkable. They also have two horns, a similar torso and four limbs. The main apparent differences are that buffaloes tend to be somewhat shaggier and have more wool over their eyes. Perhaps they have had some hair-raising experiences.

"Like the bulls, and perhaps by association with this predominant species, they tend to be mainly optimistic. They exhibit a herding instinct, traveling mostly with companions whose views they like to share, mostly with their own kind. They will travel also with bulls and occasionally with bears. It is possible even the buffaloes do not distinguish themselves from the bulls."

Fund folks will have no difficulty in recognizing the author's buffaloes. After all, some of their best customers are mutations.

Of all Throgmorton's buffaloes, we liked best the one who had heard about the technical theory evolved from the idea that the public is generally wrong, a view which he notes "is almost heresy in a democratic society." This buffalo decided that his market operations would run contrary to the odd-lot statistics, so he would buy when they showed selling and vice versa.

If, from the foregoing, the impression was gained that this department enjoyed "B. B. & B.," ths answer is in the unqualified affirmative. Fund folks will find it pleasant and even profitable reading. However, it is to be hoped that the author of this newly-published book shows better timing in the marketplace. It is a little late for the Christmas trade.

The Funds Report

Total net assets of **Bullock Fund, Ltd.** at the close of the fiscal year on Nov. 30, were $70,661,373, or $11.98 per share. These figures compare with $76,472,082 and $14.40 on Nov. 30, 1961.

* * *

Total net assets of **Canadian Fund, Inc.** at Nov. 30, close of the fiscal year, amounted to $34,349,535 or $16.17 per share. This compares with $41,730,995 and $18.46 a year earlier.

During the last half of the latest fiscal year the company increased holdings of Aluminium Ltd., Imperial Tobacco of Canada, Bell Telephone of Canada, Royal Bank of Canada while eliminating Canadian Oil Companies, Dominion Textile and Trans-Canada Pipe Lines.

* * *

Canada General Fund reports that at Nov. 30, end of the first quarter of its fiscal year, total net assets were $58,225,956, equal to $15.51 per share. This compares with $57,469,666 of assets and $14.56 a share three months earlier.

* * *

Guardian Mutual Fund, Inc. reports that at Dec. 31, net assets totaled $16,846,681, or $20.02 per share. This compares with $14,845,036 of assets and $18.16 per share at Oct. 31, end of the fiscal year.

* * *

Institutional Foundation Fund reports that at Nov. 30, end of the fiscal year, net assets were $58,305,661, or $11 a share, against $54,981,720 of assets and $12.21 at the end of the preceding fiscal year.

* * *

Institutional Growth Fund reports that at the close of the fiscal year on Nov. 30 total net assets amounted to $123,488,174, or $9.57 a share. This compares with $147,899,842 and $12.09 a share at the previous year-end.

* * *

Institutional Income Fund, Inc. reports that at the end of the fiscal year on Nov. 30 total net assets amounted to $35,526,025, equal to $6.54 per share. This compares with $39,050,428 of assets and $6.83 per share at the end of the previous year.

Clark, Dodge Acquires

Clark, Dodge & Co., Inc., has announced the acquisition of the business of Harold W. Hoisington, Inc. of Princeton, N. J., and it has become investment advisor to the Nassau Fund. Clark, Dodge & Co. has opened an office at 4 Nassau Street in Princeton, which will be under the management of Harland W. Hoisington.

BANK AND INSURANCE STOCKS

This Week — Insurance Stocks

GREAT AMERICAN INSURANCE COMPANY—

Great American Insurance Company is the twenty-second largest fire and casualty insurance underwriter as measured by its premium volume of $161.7 million in 1961.

The company was founded in 1872 and began operations in that year. Until the 1950's, business was conducted on a fleet basis through a number of operating subsidiaries and holding companies. In 1953 a program of simplification of the corporate structure was begun which resulted in the dissolution of the holding companies and the merger of the affiliates into the parent. Today, only one fire and casualty subsidiary, American National Fire Insurance Company, exists.

Great American conducts a multiple line insurance operation on a nationwide basis through 15,000 agents. In 1959 a life affiliate—Great American Life Insurance Company—was formed and began operations in the following year. Management has spent considerable time and effort in putting together a competent staff, creating the necessary policy forms and rating schedules, and licensing the company in various states. Operations are gradually being expanded to a national basis.

Great American has had a relatively poor underwriting record since the middle 1950's, however considerable improvement has been recorded in recent years. While losses were severe in the 1956-1958 period, even in comparison with the unsatisfactory industry results, the company's loss ratio has been below the industry average since that time. The improvement in the quality of the business written was made at the expense of growth as premiums remained at the $145 million level from 1957 through 1960. During that time operating expenses were also reduced despite significant nonrecurring costs. The company began to emphasize growth once again in 1961, with the upgrading in business largely completed, and premiums rose 13%.

Further growth was achieved in 1962. Through Sept. 30, premiums written had advanced 10% on a profitable basis. Both the loss and expense ratios recorded significant reductions over those of the previous year. It appears likely that 1962 was the company's first profitable underwriting year since 1955 on a sizable increase in volume.

Great American has recorded consistent gains in net investment income over the past decade. Total investment income per share has risen at a compound rate of 6½% over the ten year period despite unsatisfactory cash flow due to underwriting losses in many of the intervening years. Net investment income amounted to $4.42 per share in 1961, rose to approximately $4.75 in 1962 and should reach the $5 level in the current year.

SELECTED STATISTICAL DATA

Year	Premiums Written	Capital Funds	Admitted Assets	Loss Ratio	Expense Ratio	Profit Margin
	000's Omitted			Underwriting Results		
1957	$146.5	$137.8	$318.1	67.8%	40.4%	—8.2%
1958	144.8	185.2	371.0	65.2	40.0	—6.1
1959	147.3	200.7	387.9	61.2	39.1	—0.3
1960	143.1	208.5	392.0	61.2	39.5	—0.7
1961	161.7	249.6	448.6	64.3	39.4	—3.7
9 Mos.'62	133.4	NA	NA	62.3	37.6	0.1

PER SHARE INFORMATION

Year	Adjusted Underwriting Earnings	Net Invest. Income	Total Net Income	Divs. Paid	Liquidating Value	Price Range
1957	—$4.10	$3.51	—$0.17	$1.50	$61.49	$40-25
1958	— 3.11	3.74	0.61	1.50	76.94	46-31
1959	— 0.18	4.05	3.85	1.53	81.58	48-35
1960	— 0.58	4.25	3.79	1.70	85.58	50-41
1961	— 2.12	4.42	2.25	2.00	100.99	67-48
9 Mos.'62	— 0.01	3.45	3.40	1.50	85.11	64-45

The company has traditionally placed relatively large emphasis on common stocks in its investment program over the years. Through appreciation in the market values of the securities held in its portfolio, book value has risen sharply over the past decade. While the sharp stock market decline experienced earlier in 1962 resulted in a significant decline in the company's book value per share, the subsequent sharp market rise in "blue chip" equities has restored a large portion of the earlier decline.

In recognition of the company's improved underwriting performance and continuing expansion of investment earnings, the Directors of Great American recently voted to raise the cash dividend annual rate from $2 to $2.20. The company has customarily paid out in dividends approximately 45% of net investment income.

The common stock of Great American Insurance Company is currently selling at $60¼ per share, near the top of its 1962 range of $63½-$45. At that price, the stock provides a current yield of 3.7% and is selling at 13.4 times estimated 1962 earnings of $4.50.

The State of TRADE and INDUSTRY

Continued from page 16

when 688,690 cars and 122,533 trucks were made.

Ward's said that production last week regained the optimum level that resulted in record fourth-quarter output of passenger cars and the highest level for truck making in any peace-time era.

Plant programs were abbreviated in Monday operations, preceding the holiday and climaxing a second-best year for the auto industry in entire 1962. About 13,600 cars were made on the single day.

Upon resuming normal production on Wednesday, however, daily output of passenger cars rose above 32,500 units. Also, overtime operations, restrained since mid-December, are again being scheduled.

Output last week, *Ward's* estimated, reached 112,037 cars and 19,452 trucks compared with 109,896 and 19,683 units made the prior week. A longer work week in corresponding 1962 resulted in a higher yield of 121,928 cars and 17,674 trucks.

Ward's said that output of 1963 model passenger cars by Dec. 31 was nearly 2,570,000, representing highest output for any model year to that date in history.

During calendar year 1962, the industry made 6,935,380 cars and 1,253,035 trucks, the most cars for any year except 1955 and an 11-year peak for trucks.

Holidays Cut Rail Freight As Year Ends a Fraction Above Last Year's Total

Loading of revenue freight on class I railroads totaled 28,717,753 cars in 1962, the Association of American Railroads announced. This was an increase of 127,975 cars or four-tenths of 1% compared with 1961 but a decrease of 1,723,662 cars or 5.7% below 1960.

Loadings in the week of December 29, which included the Christmas holiday, were 357,217 cars. This was 154,821 cars or 30.2% below the previous week and 65,848 cars or 15.6% below the corresponding week a year ago.

There were 13,193 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Dec. 22, 1962 (which were included in that week's over-all total). This was an increase of 2,269 cars or 20.8% above the corresponding week of 1961 and 3,649 cars or 38.2% above the 1960 week.

Cumulative piggyback loadings for the first 51 weeks of 1962 totaled 697,581 for an increase of 115,334 cars or 19.8% above the corresponding period of 1961, and 151,611 cars or 27.8% 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 54 in the corresponding week in 1960.

Shorter Holiday Week Cuts Truck Tonnage Sharply

Intercity truck tonnage in the week ended Dec. 29 was 12.1% below the volume in the corresponding week of 1961, the American Trucking Associations announced. Truck tonnage was 33.1% behind the volume for the previous week of this year.

Three factors contributed to both the year-to-year and week-to-week decline in freight hauled. One, with Christmas falling on Tuesday this year, the majority of terminals closed for business two days, whereas last year only one day of operations was lost. Secondly, the Longshoreman strike had the effect of depressing tonnage carried to Eastern and Gulf ports. The snow and ice that covered the Eastern portion of the Country also added to the over-all decline in traffic.

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.

Lumber Data Unavailable

Editor's Note: Weekly and yearly lumber production, shipment and new order data are unavailable this week.

Electric Output Up 5.3% Over Year Ago

The amount of electric energy distributed by the electric light and power industry for the weeks ending Dec. 29, 1962 and Jan. 5, 1963, were estimated to have been 16,435,000,000 kwh and 16,874,000,000 kwh respectively according to the Edison Electric Institute. Output for each of those two weeks was less than the Dec. 22-ended week and that for the week ending Jan. 5 was 439,000,000 kwh more than the Dec. 29-ended week. The Jan. 5 week's output was 853,000,000 kwh higher or 5.3% more than the total output of the year ago week ending Jan. 6, 1962.

Business Failures Rebound From Yule Low

Commercial and industrial failures rebounded to 241 in the week ended Jan. 3 from the low of 143 in Christmas week, reported Dun & Bradstreet, Inc. This upturn lifted casualties above the 231 occurring in the comparable week of last year but they remained below the 1961 toll of 265 and fell substantially below the pre-war level of 312 in the similar week of 1939.

Failures involving liabilities of $100,000 or more continued to hold steady, numbering 31 as against 30 a week earlier and 33 a year ago. Casualties with losses under $100,000 accounted for all of the week's upswing, rising to 210 from 113 in the preceding week and 198 last year.

Tolls climbed from the low Christmas levels in all industry and trade groups. Retailing casualties jumped to 119 from 63, manufacturing to 47 from 29, and construction to 38 from 28. As well, wholesalers failing rose to 18 from 12 and service concerns to 19 from 11. While more manufacturers and retailers succumbed than a year ago, service mortality held even with 1962 and both wholesaling and construction tolls fell below their year-earlier levels.

Twenty Canadian failures were reported, off from 36 (revised) in the prior week and slightly short of the 25 occurring in the corresponding week of 1962.

Wholesale Commodity Price Index Slips Slightly This Week

Despite appreciable increases for steel scrap, silver and corn, the general wholesale commodity price level inched down to 269.66 this past Monday, reported Dun & Bradstreet, Inc. Week-to-week dips, more numerous though less sizable, outweighed the price advances. The strongest declines occurred in quotations at wholesale for cement and wheat. The index continued well below its comparable year-ago level—in the similar period of 1962 the highs for that year were being chalked up.

The Daily Wholesale Commodity Price Index slipped to 269.66 (1930-32=100) on Monday, Jan. 7, from 270.39 in the preceding week and was close to the 269.51 registered a month earlier. It was substantially lower than the year-ago level of 275.40 on the similar day.

Wholesale Food Price Index Steady This Week

Holding even, the Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., stood at $5.90 on Jan. 8, the same level as in the prior week. It ran below year-ago levels for the fifth successive week, dipping 0.5% from the $5.93 registered on the similar date last year. As well, the index was off sharply from the comparable period of 1961 when it came to $6.15.

Many foods were priced lower in wholesale markets and many were priced higher, with the net result that the upturns and downturns counter-balanced each other. Declines were noted in quotations for flour, wheat, rye, oats, barley, hams, butter, milk, cottonseed oil, cocoa, hogs and lambs. On the other hand, gains were chalked up for corn, beef, bellies, lard, cheese, sugar, eggs, potatoes and steers.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meat 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.

Clearances Help Post-Christmas Buying

After a final holiday shopping surge to a new sales peak, consumer buying tapered off in the week ended Wednesday, Jan. 2, but special clearances held volume well ahead of comparable year-ago levels. In the first two post-Christmas days, purchases at clearances were exceedingly heavy and remained high over the weekend in many areas. However, zero temperatures diminished shopping enthusiasm in the East on Saturday and Monday. Women's sportswear and children's clothing moved well, also men's sweaters and outerwear. Promotions boosted the call for major home furnishing items, while car sales rocketed ahead again after easing seasonally in the holiday week.

The total dollar volume of retail trade in the week reported ranged from 4 to 8% higher than a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1961 levels by the following percentages: West North Central −2 to +2; New England 0 to +4; West South Central +2 to +6; East South Central and Mountain +3 to +7; East North Central +4 to +8; Middle Atlantic +5 to +9; Pacific +6 to +10:

Nationwide Department Store Sales in 4-Weeks Ending Dec. 29 Register Gain

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported an overall gain of 33% for the week ended Dec. 29, compared with the like period in 1961.

The large percentage changes shown for this week are due mainly to the fact that Christmas this year fell on Tuesday, giving the week one pre-Christmas shopping day compared with none in the corresponding week last year.

In the four-week period ended Dec. 29, 1962, sales gained 5% over the corresponding period in 1961.

According to the Federal Reserve System, department store sales in New York City for the week ended Dec. 29, were 37% more than the same period in 1961 for the same reason noted above. The New York City newspapers strike by the printers' Big Six commenced 2 a.m. Saturday, Dec. 8, 1962, and despite it, retail sales in New York City department stores finally put in an impressive week. One can only speculate as to how much higher sales would have been in the absence of the strike. The strike has spread to Cleveland and the four-week average was 1% less than a year ago.

Cont. Casualty Secondary Offer.

Blyth & Co., Inc., New York, reports that it has completed a secondary offering of 30,000 capital shares of Continental Casualty Co., Chicago.

Continental and its affiliates write practically every form of insurance. They operate in all states of the United States, Canada, District of Columbia, Virgin Islands, Panama Canal Zone and Puerto Rico.

Our Dollar's Integrity and The Insurance Industry

Continued from page 4

money from bad. You find that out travelling in various countries where hotel and store employees, and others, offer to exchange their local currency for dollars at an advantageous or black market rate. Even though the language of modern economics is full of highly technical terms that make a mystery of money to the masses, these persons know the exchange value of the money they are compelled to accept from their governments, or local banks, at official rates.

A Senator, who shall be nameless, asked me recently to help him understand the present monetary situation by providing him with assistance from experts. He was uneasy at the international standing of the dollar, and wished to do all he could to improve matters. Reserve ratios, open market purchases, international monetary funds, Gross National Product, intermediate credit banks, growth rates and other economic terms of this age are not clear to everyone in a legislative spot. It is not all economic jargon, but it can be mighty confusing.

I am reminded of the professor and distinguished author, the late Stephen Leacock who, while he was head of the economics department at McGill University, made the following humorous yet wise comment in discussing the "hopeless muddle in which economic thought and practice has involved itself":

". . . Most of all, if we can't understand it let's see that outsiders don't. Let us dress up economics in esoteric language, give it a jargon of its own, and break away from plain terms like labor and profit and money and poverty. Let's talk of 'categories' and 'increments' and 'margins' and 'series'. Let's call our appetite for breakfast our consumer's marginal demand. That will fool them. And if I buy one cigar but won't buy two, call that my submarginal saturation point for nicotine."

My economics, and I dare say yours also, has been largely acquired in the market place, the best spot of all, for the businessman learns early in his career that the worst thing he can do is to be unrealistic, or gullible, if he wishes to survive in a highly competitive system. I promise you that I will not use any economic conceptions that cannot be easily grasped. I shall not follow Leacock's facetious advice.

Which Is the Better Money?

Let we state at the onset that I have a simple monetary platform on which to stand. I have the strong belief that we Americans should have the finest currency that mankind has evolved over centuries of hard and bitter experience. Surely that is an incontestably sound platform upon which to stand. How can anyone disagree with that? But do we have the best kind of money today? Ask your banker friends, or your own company economist, which type of paper Federal Reserve note is the better: (a) the type which we do not now have years ago, in gold, or (b) the irredeemable Federal Reserve note in fashion today? I have been asking this question for some years and I wish I had the time to report the astonishing evasion or switch acts performed, or the reasons given me in reply. I still have to obtain an answer unclouded with economic jargon from those trying to convince me that the irredeemable variety is the better.

Although the dollar is admittedly the world's premier currency, this prominence is only by comparison. The dollar comes under suspicion from time to time, a most unfortunate situation for a great nation. I have already noted the *Life* editorial commenting on the subject. The *Wall Street Journal* and *Barron's* have also been noticeably uneasy about our dollar. *Fortune* and *Newsweek* have been apprehensive also and have carried articles recommending a speedy return to gold.

I vividly recall being in London in the Fall of 1960 when the dollar declined rather abruptly for fear that the prospect of an incoming Democratic Administration would bring about a devaluation of the dollar. The monetary unit of the most powerful nation in the world was being kicked around. What a shocking predicament! It is to the everlasting credit of President Kennedy that he has stated he does not intend to devalue the dollar. I might point out that it would now take an act of Congress to do so. Can you imagine the international speculation that would take place during any consideration by Congress of a change in the dollar's value in gold? A speculator's paradise.

Insurance Industry's Stake

I know of no business with a greater stake in the integrity of the dollar, and the maintenance of the dollar's purchasing power over the years, than that of insurance. The record ever since 1939 has been a dismal one as an excellent study by Dr. Walter Spahr of the Economists' National Committee on Monetary Policy has conclusively shown. The staggering loss in purchasing power of life insurance policy holders from 1939 through 1959 Dr. Spahr estimates as $145 billion. The destructive and subtle power of a depreciating dollar is nowhere more clearly revealed. Nothing like this occurred under a gold standard.

Gratifying as it must be to life insurance companies to experience the growth of recent years until today some $630 billions is in force, the record is not nearly so impressive if the decline in the purchasing power of the dollar is taken into consideration. I know that you are conscious of the seriousness of such loss of purchasing power on policy holders. From time to time I have seen advertisements of your industry which urge the public to work for a sound dollar. When I wrote to one advertiser and asked him what he meant by a sound dollar he replied, one that would maintain its purchasing power. How this was to be achieved was unclear. Presumably a commodity index number would be used as a guide, and then one might ask: Would the present index be used, or would we use a lower one? Many raw material producers would be unhappy at the use of today's index. Would government controls be imposed to correct inequities?

An overriding consideration is that the Federal budget should be balanced and the importance of that step cannot be minimized since we tend to finance such deficits by converting them into an additional supply of money and bank deposits. Indeed, a determination to balance the budget has been expressed under both Democratic and Republican Administrations but with rather meager results. Economists in high places appear to be divided over the period of time in which a national budget should be balanced. One year, two years, five, ten? Our deficit this fiscal year is anticipated to be the second greatest in history. The road to high public office is evidently to promise vast public expenditures of interest to the masses without reference to cost or payment through taxes.

Money Manager's Argument

The principal argument of those who espouse or endorse our present irredeemable paper currency system is: Haven't you any confidence in our government managers to manage the money of the nation? Frankly, I am skeptical, based on the sad result of 30 years of management of our irredeemable currency system. I would like to see a system prevail that does not put too much burden on Federal management and which introduces more discipline than we have today, a discipline that a Federal Reserve note redeemable in gold domestically would provide. Reliance on the ballot box to curb spending beyond our means, spending which leads to a decline in the purchasing power of the dollar, has not proven encouraging so far.

In this connection I note that the volume of the assets of life insurance companies invested in Federal Government bonds has been going down rather steadily from a peak of 21 billions in 1946 to about 6 billions in 1961. In percentage the decline is even more striking. Approximately 45% of the total assets of life insurance companies was invested in government bonds in 1946 whereas today it is only about 5%. This does not denote confidence among insurance company executives in the government's ability to maintain the purchasing power of the dollar or its integrity.

You may recall that the authors of the Federalist papers studied thousands of years of recorded history, and some of them concluded that human nature had not changed much in the interval, that people, by and large, were ambitious, vindictive and rapacious, and that the government the Federalists proposed to form somehow or other had to find a way to subdue these qualities for the common good. They were much concerned with moral issues, issues one seldom sees mentioned in economic discussions today. Could it be that the conclusions of our forefathers who gave us our wonderful Constitution are as valid today as they were then? When we reflect upon the horrible record of the Germans in our lifetime, or the sad history of France, or the actions of the Russians and other nations today, there is reason enough to support the wise observation of the Federalist authors.

The Moral Issue Does Not Vanish

In olden days it was popular to clip coins when kingdoms got into difficulties. Nowadays monetary units are devalued—the modern technical term for coin clipping—generally without a peep from economists and others who ought to be deeply concerned with the cheating involved in the process. I was heartened to notice that an editorial in *Barron's* recently had this to say:

"Devaluation, and inflationary excesses from which it invariably springs, are of course, tantamount to legalized theft."

Some bankers are becoming critical of devaluation but there is lots of room for improvement in text books and college faculties in treating the moral aspects. Certainly a sorry—and even dishonorable—page in our nation's financial history was the repudiation of the gold clause in our government's bonds in the early days of the New Deal when we devalued the dollar. It is a lesson we ought not to forget.

The moral issue will not vanish. It permeates many of the actions which the Congress takes not only in monetary affairs but in other directions, principally in the lavish use of subsidies which take from all the people, through the taxing power of the government, some of their hard earned means to bestow it upon farmers, ship owners, miners, and others, many of whom don't even need it.

Businessmen's Inconsistency

I find myself puzzled at the attitude of businessmen outspoken in their condemnation of government control of the economy, and vigorous proponents of free enterprise, who not only complacently accepted the destruction of an important property right, the right to own a gold coin, but who also advocated extending the restriction to the ownership of gold abroad, difficult as it is to enforce. Apparently they are not concerned with the fact, or do not know, that the power of the purse has been effectively taken away from the citizens by making our paper currency irredeemable in gold. Foreign nations, I observe, show their lack of confidence in the dollar by converting their paper dollars into gold for their own protection. Why shouldn't we citizens have a similar right to protect ourselves? There can be no protest over fiscal irresponsibility now other than through the ballot box and, based upon my own experience in Washington, where I observed the insatiable demand for spending at first hand, I think that is a slim reed to lean upon.

All socialist, communist, and totalitarian governments use paper currencies that are not redeemable in gold by their citizens. On the other hand, I don't know of a single nation that has been socialized which employed a redeemable currency in its monetary system. This is a lesson that free enterprisers might well take to heart. It is astonishing, however, to note the many influential organizations which recommended a gold standard in 1933, in early New Deal days, such as the U. S. Chamber of Commerce, the National Foreign Trade Council, Association of Life Insurance Presidents, and the N. A. M. and many others, that have either changed their policy and become vigorous proponents of irredeemable currency, or decided to remain quiet while observing developments. Perhaps they were persuaded by the Keynesian economics, so popular then and now, to change their attitudes.

If they decided to wait to observe results under an irredeemable currency system, believing the money managers would make good on their promise and free us from either inflation or deflation, and produce "stability," I hope these organizations are a bit wiser, for the record since 1933 shows just the reverse. Whenever the term stability is used I wonder if the plan is to keep prices at the then current level, or to push them back because of the rise that has taken place, or to increase prices a little to accomodate raw material industries suffering from low prices. The distressing record under irredeemable currencies is a good answer to those who maintain a return to a gold standard is no guarantee against inflation. I don't contend it is either, but to return to gold would introduce a discipline, no doubt irksome to the planners, and limit the possible expansion of credit, where the mischief lies.

No Longer a "Barbarous Relic" or "Outworn Dogma"

It would certainly make the lot of the future policy holder more pleasant than it is today. As the First National City Bank stated some months ago, there is little evidence of a desire for restoring the old gold standard in the nation, but that does not mean a move in that direction isn't sound. The bank was careful to note that whether we like it or not, the world in the decade of the sixties does not dismiss gold "as a barbarous relic" or "outworn dogma" as Keynes thought.

Apparently we are still in a long period of monetary experimentation and manipulation, the tail end possibly. The experimentation going on is another example of the result of government intervention in the market place. When one control doesn't work add another and so on until the system breaks down. Now we are arranging to have other nations bolster the dollar. We have added to the resources of the International Monetary Fund to the tune of $2 billion out of an emergency six billion fund to be drawn upon should the dollar become weak again internationally. But, as the First National City Bank has stated, a drawing on the International Monetary Fund would not only seriously impair confidence in the dollar but would also reflect unfavorably on the economic and political prestige of the United States. If this expedient breaks down presumably some other may be expected and devised. What a humiliating position for the dollar!

Our balance of payment distortions and drain on our gold supply reveal the unsatisfactory nature of the remedies which irredeemable currencies provide. Treasury gold stock is now under $16 billion, down from $22.8 billion of Feb. 19, 1958, after which the pronounced decline in our gold stock began, whereas earmarked gold in the United States owned by foreigners is up to $12.7 billion from the $6.2 billion in the same period. It may be becoming clearer that there is no good substitute for the gold standard.

Diverse Gold Proposals

A rather sharp difference of opinion exists between groups deeply concerned with the kind of money we ought to have in our country. One group recommends eliminating gold altogether as a backing of our currency. In other words, they would have us use fiat money, the ruination of nation after nation which has tried it. Another group would follow the common European practice of no statutory gold reserve behind their paper notes—in our case they propose to remove the 25% gold certificate requirements against Federal Reserve notes and deposits. Still another group advocates the restoration of the gold standard but with the dollar devalued to provide a price for gold between $70 and $100 per ounce. Still another group recommends the return to gold at the present statutory rate of $35 per ounce.

Analyzing these proposals I find myself asking the simple question: Is there or is there not enough gold in the world to do the job that gold is supposed to do in the world today as a backing of money with integrity? Scholars whose monetary judgment I respect say "yes" and they point out that even with our greatly diminished accumulation of gold caused possibly in large part by our balance of payments difficulties and a lack of confidence in the dollar, we still have enough of the metal to furnish an excess reserve capable of expanding our credit structure enormously. I note, too, that South African gold production has been increasing in recent years breaking all records, also that any country can buy gold today on the London market if it is willing to offer something of equal value in return. So I am not impressed with the gold shortage argument.

Gold Stock Would Increase

It is quite conceivable that if we were to return to a fully convertible gold standard the amount of gold earmarked in this country by foreign central banks would in large measure be transferred to our own gold reserve from which it originated. The reason earmarked gold has risen to record proportions is, of course, a lack of confidence in the future of the dollar and a determination not to be caught through any prospective devaluation of the dollar.

To me the gold standard is inextricably bound up with human freedom, private property, private enterprise, and a government with integrity. That is why it is worth fighting for no matter how long the struggle. The easiest course is for businessmen to follow the times just as prominent Italian businessmen praised Mussolini and the Germans Hitler. The going was good for a while! At any rate, I am comforted with the knowledge that the officers of some life insurance companies agree with me—a number that may grow. Perhaps they share the position of Mr. Philip Le Boutillier about fifteen years ago, when he was President of Best & Company, for his words are as true today as they were then. He said:

"Every Life Insurance Company President, every Savings Bank President, every Commercial Bank President who has remained silent since the war ended, whether from fear (what are they afraid of?) or lethargy, seeing the rapid and continuing debasement of the purchasing power of the dollar and has not shouted the dangers of an irredeemable currency to his policy holders or his depositors has betrayed his highest responsibility, his trusteeship to pay out as good a dollar as he took in."

Our government was designed to make changes in the law slowly and only after thorough consideration. Legislation proven to be faulty can be corrected. Constant modification is going on. This takes time. It required twelve years to correct the mischief and demoralization of prohibition. How long it will take to restore the integrity of the dollar by making it redeemable in gold no one knows. Already thirty years have passed since we left the gold standard, thirty years of experimentation, but the issue is not nearly as clear cut to the citizenry as it was in the case of prohibition. Money is a mystery to most persons. I believe it was Keynes himself who commented that not one person in a million understood the subject sufficiently to appreciate the subtle manner in which monetary policy could be used to achieve social objectives.

Cites Dr. Bell

It is comforting to me to note that in the concluding recommendations of Dr. James Washington Bell in the study *A Proper Monetary and Banking System for the United States*, prepared by the distinguished monetary economists Bell, Bradford, Kemmerer, Niehaus, Palyi, Patterson, Phelps, Spahr, and Wiegand, Bell states: 'Money management, unrestrained by free market forces and the free choice of currency convertibility, has not resulted in a sound and stable economic development. Our present system has been in force for over a quarter of a century and in spite of its shortcomings it could conceivably survive for a long time to come; but we should not on that account refrain from correcting weaknesses and defects which we know exist. The discipline imposed by a redeemable currency should do more than anything else to put a stop to laws and policies encouraging the growth of excessive demands on the money and credit resources of the economy, and should permit these resources to be devoted to more wholesome use."

One final word, government emphasis nowadays is on growth, and many proposals have been made for additional governmental intervention in the economy to achieve more of it. Growth was no particular worry when the gold standard flourished. That is why I conclude that the quicker we return to gold, the quicker we will resume the progress our great nation made then, progress in which your great industry will share.

*An address by Mr. Wormser before the Insurance Society of New York, New York City.

Propp Co. Officers

Charles K. Perlin and Jules R. Huber have been elected Vice-Presidents of Propp & Company, Inc., 400 Park Avenue, New York City, members of the New York Stock Exchange.

Coast Exchange Member

SAN FRANCISCO, Calif.—International Bond & Share, Inc., International Building, have been admitted to membership in the Pacific Coast Stock Exchange. Philip A. Ray is Chairman of the Board of the firm, and R. Stockton Rush, Jr., is President.

THE SECURITY I LIKE BEST...

Continued from page 2

Arthur and New Orleans from centrally located Kansas City with branch lines extending west to industrially growing Dallas, Tex. The system also serves as a direct connection for trans-continental carriers. Freight traffic accounted for some 90% of total revenues in 1961 with unprofitable passenger business amounting to less than 5% in recent years.

Having suffered badly in the great depression of the 1930's, company has gradually divested itself from financial problems and, with the help of large-scale property improvements, initiated full dividends on its then outstanding preferred shares in 1946 and resumed, after a 16-year lapse, common dividends in 1943 at 50 cents per share. Since then, despite a gradual increase in dividends to $4 a share by 1956 (equal to the present $2 rate on the split shares), it built up strong finances through the plow-back of earnings that averaged nearly $10 a share over the past 15 years and concentrated on an aggressive program of large scale property and equipment improvement and acquisition. Since the late 30's, Kansas City Southern's revenue trend has been superior to that of other railroads in the southwestern region as well as to that of Class I railroads (revenues of over $3 million) as a whole. This, coupled with a well above-average carrythrough to pre-tax net, as well as sound fiscal and dividend policies, has contributed to strong finances. Though some traffic may be lost to the St. Lawrence Seaway, Kansas City Southern Railway's results are expected to show strong and above-average growth reflecting the rapid expansion of the chemical, petroleum and rubber industries in its service area.

Backed by a strong working capital position at 1961 year-end, equivalent to some $12 per newly formed holding company share, management took a first diversification step late last year, when an agreement was reached to purchase a 40% interest in the outstanding common stock of Television Shares Management Corp., manager and principal underwriter of growth-oriented Television-Electronics Fund. Capital outlay of this initial venture is estimated to be in the neighborhood of $4 million (or $2 per share), a relatively minor portion of total available funds. Based on the last 20 cent semi-annual dividend disbursement by Television Shares Management, an investment return of 4%-5% is indicated with favorable potential for yield improvement. Other ventures, as yet unspecified, should also provide the parent Kansas City Southern Industries with further growth.

Columbia Gas System, Inc. Debs. Offered

Morgan Stanley & Co., and The First Boston Corp., New York, are offering publicly $25,000,000 Columbia Gas System, Inc., 4⅜% debentures due Jan. 1, 1988, at par and accrued interest, to yield 4.375% to maturity.

The issue was awarded to the Morgan Stanley — First Boston group at a competitive sale Jan. 3, on its bid of 99.21% which named the 4⅜% coupon.

The debentures will have a sinking fund with annual payments of $875,000 beginning in 1968 sufficient to retire 70% of the issue prior to maturity. The sinking fund redemption price is par. Optional redemption prices range from 104.375% to the principal amount.

From the proceeds of the sale, the corporation will redeem in February all of the outstanding $23,480,000 principal amount of 5⅜% debentures, series N, due 1984, at a redemption premium of $1,115,300 plus accrued interest. Any balance of the proceeds will be added to the company's general funds.

The company, headquartered at 120 East 41st St., New York, sells gas at retail to approximately 1,473,000 residential, commercial and other customers in the states of Ohio, Pennsylvania, West Virginia, Kentucky, New York, Maryland and Virginia. In addition, the company engages in wholesale operations, selling natural gas to non-affiliated public utilities for resale to their customers. Certain subsidiaries produce and sell gasoline and other extracted hydrocarbon products and one subsidiary produces and sells oil.

Pioneer Nat. Gas Secondary Offer.

Blyth & Co., Inc., New York, reports that it has completed a secondary offering of 25,000 common shares of Pioneer Natural Gas Co., Amarillo, Texas.

Pioneer is a natural gas utility serving residential, commercial and industrial users in some 70 cities and towns in Texas, plus three in Louisiana.

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.
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, Marx & Co., Inc., Miami. **Note**—The SEC has issued an order temporarily suspending this issue.

● **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. **Note**—This registration was withdrawn.

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.

Accounting Corp. of America
Dec. 5, 1962 ("Reg. A") 300,000 common. **Price**—$1. **Business**—Operation of an electronic data processing service. **Proceeds**—For expansion, equipment and working capital. **Office** — 37 Brighton Ave., Boston. **Underwriter**—Walker, Wachtel & Co., Inc., Boston.

● **Aerosystems Technology Corp. (1/28-31)**
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.

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 registration was withdrawn.

Alaska Power & Telephone Co.
Dec. 26, 1962 filed $600,000 of 6% debentures due 1978, 240,000 common, and 180,000 10-year warrants to purchase a like number of common shares, to be offered in 600 units, each consisting of one $1,000 debenture, 400 common, and 300 warrants. **Price**—$1,000 per unit. **Business**—A public utility supplying electricity and telephone service to 4 Alaskan communities. **Proceeds**—Expansion of service, loan repayment, and working capital. **Office**—Fifth Ave., Skagway, Alaska. **Underwriter** — Jay W. Kaufmann & Co., New York.

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.

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. (1/28-31)
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.

● **American Finance Co., Inc. (1/21)**
April 21, 1961 filed $500,000 of 6% convertible subordinated debentures due 1972, 75,000 common, and 25,000 warrants, to be offered in units of one $200 debenture, 30 shares, and 10 warrants. **Price**—$500 per unit. **Business**—Company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. **Proceeds**—For the retirement of debentures, and additional capital funds. **Office**—1472 Broadway, N. Y. **Underwriter**—Myron A. Lomasney & Co., New York.

American Gas Co.
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**—Walston & Co., New York. **Offering**—Indefinite.

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 Plan Corp.
March 30, 1962 filed $3,100,000 convertible debentures due 1982, and 155,000 common (of which 120,000 will be sold by company and 35,000 by a stockholder). The securities will be offered in units of one $20 debenture and one share. **Price**—By amendment. **Business**—Production and servicing of physical damage insurance on automobiles, trucks and mobile homes. **Proceeds**—To finance the purchase of American Fidelity Fire Insurance Co. **Address**—American Plan Bldg., Westbury, L. I., New York. **Underwriter** — Bear, Stearns & Co., New York. **Note**—This registration will be withdrawn.

● **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. **Note**—This registration was withdrawn.

Americana East, Inc.
Nov. 13, 1962 filed 400,000 common. **Price**—$2.50. **Business**—Development, construction and management of real estate properties. **Proceeds**—For construction, debt repayment and working capital. **Office**—173 First St., Macon, Ga. **Underwriter**—Nusouth Growth Stock Sales Corp., 4101 Steam Mill Rd., Columbus, Ga.

Ampeg Co., Inc.
Oct. 29, 1962 ("Reg. A") $294,000 7% conv. subord. debentures due 1972 and 29,400 common to be offered in units of one $1,000 debenture and 100 shares. **Price**—$1,020 per unit. **Business**—Manufacture of amplifiers and accessory equipment for musical instruments. **Proceeds**—For inventory, equipment, debt repayment and new products. **Office**—1570 W. Blancke, Linden, N. J. **Underwriter**—John R. Boland & Co., Inc., New York. **Offering**—Indefinite.

Antenna Systems, Inc.
Sept. 28, 1962 filed 35,000 common. **Price**—By amendment (max. $30). **Business**—Design, manufacture and installation of large microwave antennas and antenna components. **Proceeds**—For reduction of bank loans, and working capital. **Office**—349 Lincoln St., Hingham, Mass. **Underwriter**—None.

● **Aquariums Inc. (1/28-31)**
Dec. 5, 1962 filed 51,200 common. **Price**—By amendment (max. $6). **Business**—Manufacture of home aquariums, and supplies. **Proceeds**—For moving expenses, equipment, debt repayment and working capital. **Address**—Route 46, Pine Brook, N. J. **Underwriter**—Golkin, Divine & Fishman, Inc., N. Y.

Arden Farms Co.
May 23, 1962 filed 49,993 shares of $3 cumulative preferred stock and 205,105 common shares being offered for subscription by stockholders of the respective classes on the basis of one new share for each 10 held. Record date for both offerings is Nov. 21 and the rights expiration date Feb. 15. **Price**—For preferred $52; for common $13. **Business** — Manufacture, purchase and sale of ice cream and other dairy products. **Proceeds**—For debt repayment. **Office** — 1900 W. Slauson Ave., Los Angeles. **Underwriter**—None.

Associated Mortgage Co., Inc.
Dec. 21, 1962 filed 135,205 common, of which 100,000 are to be offered by company and 35,205 by stockholders. **Price**—By amendment (max. $10). **Business**—Originating, marketing and servicing of first mortgages and loans on real estate. **Proceeds**—For loan repayment, and working capital. **Office**—1120 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—Shields & Co., Inc., New York.

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 letter will be withdrawn.

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.

Automatic Controls, Inc.
Dec. 28, 1961 filed 50,000 common. **Price**—$4. **Business**—Design, manufacture and installation of electrical, pneumatic, hydraulic and mechanical systems, controls and devices to control and automatically operate industrial machinery and processes. **Proceeds** — For general corporate purposes. **Office**—3601 Merrick Rd., Seaford, N. Y. **Underwriter**—S. Schramm & Co., Inc., N. Y.

Automatic Merchandising, Inc.
May 24, 1962 filed 225,000 common, of which 125,000 are to be offered by company and 100,000 by stockholders. **Price**—By amendment (max. $6). **Business**—Company operates, owns, services and leases coin-operated automatic vending machines. **Proceeds**—For debt repayment, inventories, equipment and working capital. **Office**—217 N. Willow Ave., Tampa. **Underwriter**—A. C. Allyn & Co., Chicago.

Bank "Adanim" Mortgages & Loan Ltd.
Dec. 29, 1961 filed $556,000 of 6% cumulative preference dividend participating dollar-linked shares. **Price**—By amendment. **Business** — A mortgage lending company. **Proceeds**—For general corporate purposes. **Address**—108 Achad Haam St., Tel-Aviv, Israel. **Underwriter**—Adanim American Israel Investment Co., Inc.

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. **Offering**—Indefinite.

● **Belock Instrument Corp.**
Nov. 23, 1962 filed $752,400 of 6% conv. subord. debentures due 1975 (Series B) and 150,480 common shares being offered for subscription by stockholders in units (7,524) consisting of $100 of debentures and 20 shares on the basis of one unit for each 130 common held of record Jan. 8. Rights will expire Jan. 22. **Price**—$200 per unit. **Business** — Design, development, and manufacture of mechanical, electromechanical and electronic precision equipment for U. S. armed forces. **Proceeds**—For prepayment of loans. **Office**—112-03 14th Ave., College Point, N. Y. **Underwriter**—None.

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.

Big Top Stores, Inc.
Nov. 26, 1962 filed 86,000 common. **Price**—$3.50. **Business**—Operation of five retail toy, stationery and variety stores, and the servicing of franchised dealers. **Proceeds**—For expansion, additional inventory, and working capital. **Office**—832 Scarsdale Ave., Scarsdale, N. Y. **Underwriter**—P. J. Gruber & Co., Inc., N. Y. **Offering**—Expected in April.

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.

• C. B. National Fund, 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. **Note**—This company formerly was named Church Builders, Inc. **N. B.** — The registration statement has been withdrawn.

C-Thru Products, Inc.
Dec. 13, 1962 ("Reg. A") 90,000 common. **Price**—$1.50. **Business**—Design and manufacture of flexible re-usable vinyl packages. **Proceeds**—For debt repayment; sale promotion; equipment; research and development, and working capital. **Office** — 2401 Pacific St., Brooklyn, N. Y. **Underwriter**—Broadwall Securities, Inc., N. Y.

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. **Offering**—Expected in February.

Cambridge Fund of California, Inc.
Sept. 28, 1961 filed 280,000 common. **Price**—By amendment. **Business**—General real estate. **Proceeds**—Debt repayment and working capital. **Office**—324 E. Bixby Rd., Long Beach, Calif. **Underwriter**—To be named.

• Cameo Lingerie, Inc.
Feb. 12, 1962 filed 200,000 common, of which 120,000 are to be offered by the company and 80,000 by stockholders. **Price**—$5. **Business**—Manufactuer of women's and children's tailored panties. **Proceeds**—For debt repayment, inventory and working capital. **Office**—Fajardo, Puerto Rico. **Underwriter**—To be named. **Note**—This registration will be withdrawn. Assets of the company have been sold to Colonial Corp. of America.

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, New York. **Note** — This registration may be withdrawn and then refiled.

Canaveral Hills Enterprises, Inc. (1/28-31)
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., New York.

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**—Golkin, Divine & Fishman, Inc., Chicago. **Offering**—Indefinite.

Castle Hospitality Services, Inc.
Dec. 14, 1962 filed $500,000 of 8% debentures due 1969. **Price**—At par ($1,000). **Business**—Company plans to offer management and consultant services to motels and furnish them with equipment. **Proceeds**—For general corporate purposes. **Office**—1068 S. Ocean Blvd., Pompano Beach, Fla. **Underwriter**—None.

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.

• Center Star Gold Mines, Inc.
April 10, 1962 ("Reg. A") 2,000,000 common. **Price**—15c. **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. **Offering**—Indefinite.

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.

Chemair Electronics Corp.
Dec. 28, 1962 filed $150,000 of 6% subordinated income debentures due 1973 and 30,000 common shares to be offered in units consisting of one $10 debenture and two common. **Price**—$12 per unit. **Business**—Production and sale of chemicals designed to control odors, bacterial growth and air pollutants; and development, production and sale of an electronic vaporizing unit for dispensing such chemicals. **Proceeds**—For debt repayment, equipment, sales promotion and working capital. **Office**—221 N. La Salle St., Chicago. **Underwriter**—Price Investing Co., New York.

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.

Chesapeake & Potomac Telephone Co. of Md. (1/22)
Dec. 28, 1962 filed $50,000,000 of debentures due Jan. 1, 2002. **Proceeds**—To refund advances from parent, A. T. & T., and for construction. **Office**—320 St. Paul Place, Baltimore. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; White, Weld & Co. **Bids**—Jan. 22 (11 a.m. EST) in Room 2313, 195 Broadway, New York.

• Chestnut Hill Industries, Inc.
Nov. 29, 1961 filed 300,000 class A common, of which 225,000 are to be offered by the company and 75,000 by stockholders. **Price**—$5. **Business**—Design and manufacture of women's, misses' and junior sportswear, coordinates, and dresses. **Proceeds**—For debt repayment, equipment and working capital. **Office**—2025 McKinley St., Hollywood, Fla. **Underwriter** — Clayton Securities Corp., Boston, Mass. **Offering**—Indefinite.

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. **Offering**—Indefinite.

• Church Builders, Inc.
See C. B. National Fund, Inc.

• Circle K Food Stores, Inc. (1/21-25)
Nov. 28, 1962 filed 96,000 common, of which 64,000 are to be offered by company and 32,000 by stockholders. **Price**—By amendment (max. $6.25). **Business**—Operation of retail drive-in grocery stores. **Proceeds**—For expansion and other corporate purposes. **Office**—904 Magoffin Ave., El Paso. **Underwriter**—Eppler, Guerin & Turner, Inc., Dallas.

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.

Coastal Chemical Corp.
Sept. 24, 1962 filed 40,000 class A, 39,239 outstanding class C, and 20,000 class D shares. **Price**—$35. **Business**—Manufacture of anhydrous ammonia and other fertilizer materials and components. **Proceeds**—For working capital. Mississippi Chemical Corp., parent, will receive the proceeds from the sale of the class C stock. **Address**—Yazoo City, Miss. **Underwriter**—Mississippi Chemical Corp., Yazoo City, Miss., will act as underwriter for the stock.

• Collins Radio Co.
Sept. 21, 1962 filed $12,500,000 conv. subordinated debentures, due Jan. 1, 1963. **Price**—By amendment. **Business**—Design, development, and manufacture of specialized radio communications equipment, and aircraft and flight control devices. **Proceeds**—For repayment of bank loans. **Office**—5225 "C" Ave., N. E., Cedar Rapids, Iowa. **Underwriters**—Kidder, Peabody & Co., Inc., and White, Weld & Co., Inc. New York. **Offering**—Imminent.

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.

Colorado Imperial Mining Co.
Sept. 20, 1962 filed 200,000 common. **Price**—$1. **Business**—General mining. **Proceeds**—For exploration and operating expenses. **Office**—Creede, Colo. **Underwriter**—None.

Commercial Life Insurance Co. of Missouri
Nov. 26, 1962 ("Reg. A") 46,000 common to be offered for subscription by stockholders on the basis of one share for each 3.36 common shares held. **Price**—At-the-market. **Business**—Sale of health, accident, life and hospital insurance. **Proceeds**—For working capital. **Office**—3570 Lindell Blvd., St. Louis. **Underwriter**—Edward D. Jones & Co., St. Louis.

Computer Concepts Inc.
Dec. 29, 1961 filed 20,000 class A common. **Price** — $25. **Business**—Development and sale of advanced programming systems, for solution of business problems by the use of digital computers. **Proceeds** — For general corporate purposes. **Office**—1012 14th St., N. W., Washington, D. C. **Underwriter**—Doft & Co., N. Y. **Offering**—Indefinite.

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.

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NEW ISSUE CALENDAR

January 14 (Monday)
Montreal (City of)—Debentures
(Bids 11 a.m. EST) $25,000,000
Servotronics, Inc.—Cap. Shs.
(General Securities Co., Inc.) $375,000

January 15 (Tuesday)
Harrisonville Telephone Co.—Preferred
(McCourtney-Breckenridge & Co.) $296,800
Illinois Power Co.—Bonds
(Bids 10 a.m. CST) $35,000,000

January 16 (Wednesday)
Chicago, Burlington & Quincy RR.—Equip. Trust Ctfs.
(Bids 12 noon CST) $6,300,000
Fidelity Bankers Life Insurance Co.—Common
(Lee Higginson Corp. and Shearson, Hammill & Co.) 175,000 shares
Master Artists Corp.—Capital Shares
(Keon & Co.) $65,000

January 17 (Thursday)
Seaboard Air Line RR.—Equip. Trust Ctfs.
(Bids 12 noon EST) $6,360,000

January 21 (Monday)
American Finance Co., Inc.—Units
(Myron A. Lomasney & Co.) $1,250,000
Circle K Food Stores, Inc.—Common
(Eppler, Guerin & Turner, Inc.) 96,000 shares

January 22 (Tuesday)
Chesapeake & Potomac Telephone Co. of Md.—Debs.
(Bids 11 a.m. EST) $50,000,000
Tennessee Gas Transmission Co.—Bonds
(Stone & Webster Securities Corp.; White, Weld & Co.; Halsey, Stuart & Co., Inc.) $50,000,000

January 23 (Wednesday)
Public Service Co. of Oklahoma—Bonds
(Bids 11.30 a.m. EST) $10,000,000
Southern Pacific Co.—Equip. Trust Ctfs.
(Bids 12 noon EST) $8,400,000

January 28 (Monday)
Aerosystems Technology Corp.—Common
(Chase Securities Corp.) $495,000
American Bolt & Screw Mfg. Corp.—Units
(S. D. Fuller & Co.) $900,000
Aquariums, Inc.—Common
(Golkin, Divine & Fishman, Inc.) 51,200 shares
Canaveral Hills Enterprises, Inc.—Common
(Willis E. Burnside & Co., Inc.) $500,000
Consolidated Leasing Corp. of America—Common
(Blair & Co.) 99,000 shares
Consolidated Leasing Corp. of America—Debs.
(Blair & Co.) $1,000,000
Data Corp. of America—Common
(A. D. Gilhart & Co., Inc.) $131,250
Dixie Lime & Stone Co.—Common
(Courts & Co.) 100,000 shares
Donmoor-Isaacson, Inc.—Common
(Goodbody & Co.) 150,000 shares
Lewis (Tillie) Foods, Inc.—Debentures
(Van Alstyne, Noel & Co.) $2,250,000
Logos Options, Ltd.—Capital Stock
(Filor, Bullard & Smyth) 250,000 shares
Luck's Inc.—Common
(J. C. Wheat & Co. and Allied Securities Corp.) 145,500 shares
Nippon Electric Co., Ltd.—American Shs.
(First Boston Corp. and Daiwa Securities Co., Ltd.) 400,000 A. D. S.
Pioneer Telephone Co.—Common
(Dean Witter & Co. and M. H. Bishop & Co.) 75,000 shares
Sperti Products, Inc.—Common
(Blair & Co.) 230,000 shares
White Photo Offset, Inc.—Common
(K-Pac Securities Corp) $350,000
Zero Mountain, Inc.—Common
(Don D. Anderson & Co., Inc.) $300,000

January 29 (Tuesday)
Dallas Power & Light Co.—Bonds
(Bids 12 noon EST) $25,000,000

February 5 (Tuesday)
Bell Telephone Co. of Pennsylvania—Debentures
(Bids to be received) $50,000,000

February 6 (Wednesday)
Laclede Gas Co.—Debentures
(Bids to be received) $10,000,000
Laclede Gas Co.—Preferred
(Lehman Brothers; Merrill Lynch, Pierce, Fenner & Smith Inc.; and Reinholdt & Gardner) 200,000 shares

February 11 (Monday)
Roddy Recreation Products Inc.—Units
(Dempsey-Tegler & Co., Inc.) $1,300,000

February 15 (Thursday)
Natural Gas & Oil Producing Co.—Class A
(Peter Morgan & Co.) $900,000

February 19 (Tuesday)
Potomac Electric Power Co.—Bonds
(Bids 10 a.m. EST) $50,000,000
Texas Power & Light Co.—Bonds
(Bids 11 a.m. EST) $10,000,000

February 20 (Wednesday)
Arkansas Power & Light Co.—Bonds
(Bids to be received) $15,000,000

February 27 (Wednesday)
Brooklyn Union Gas Co.—Bonds
(Bids to be received) $12,000,000

March 5 (Tuesday)
Northwestern Bell Telephone Co.—Debentures
(Bids to be received) $40,000,000

March 11 (Monday)
Central Illinois Light Co.—Bonds
(Bids to be received) $9,375,000

March 12 (Tuesday)
Oklahoma Gas & Electric Co.—Bonds
(Bids 11 a.m. EST) $15,000,000

March 25 (Monday)
Norfolk & Western Ry.—Equip. Trust Ctfs.
(Bids to be received) $5,475,000

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Conso Products, Inc.
Sept. 27, 1962 filed 125,000 common. **Price**—By amendment (max. $10). **Business**—Manufacture of home furnishing trimmings and accessories. **Proceeds**—For machinery and working capital. **Office**—27 W. 23d St., N. Y. **Underwriter**—H. Hentz & Co., N. Y. **Offering**—Feb.

Consolidated Leasing Corp. of America (1/28-31)
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. **Note**—This registration will be withdrawn.

Consultant's Mutual Investments, Inc.
Dec. 21, 1962 filed 500,000 common. **Price**—$10. (For an initial period the fund will also offer its shares in exchange for acceptable securities on the basis of one share for each $10 market value of securities). **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—211 S. Broad St., Philadelphia. **Underwriter**—Gerstley, Sunstein & Co., Philadelphia.

Contact Lens Guild, Inc.
Sept. 19, 1962 ("Reg. A") 75,000 class "A" common. **Price**—$4. **Business**—Manufacture and sale of a patented contact lens. **Proceeds**—For moving expenses, research, inventory, advertising and working capital. **Office**—360 Main St. E., Rochester, N. Y. **Underwriter**—John J. DeGolger Co., Inc., Rochester, N. Y.

● **Continental Device Corp.**
Dec. 26, 1962 filed 275,000 common. **Price**—By amendment (max. $6). **Business**—Company is engaged in research, development and manufacture of certain types of semiconductor products, and specialized test equipment. **Proceeds**—For loan repayment, equipment, and other corporate purposes. **Office**—12515 Chadron Ave., Hawthorne, Calif. **Underwriter**—Carl M. Loeb, Rhoades & Co., Inc. New York. **Offering**—Expected in February or March.

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.
May 26, 1962 filed $1,250,000 of 6% convertible subordinated debentures due 1977. **Price**—At par. **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. **Offering**—Indefinitely postponed.

Cotter & Co.
Nov. 21, 1962 filed $3,000,000 of 6% subordinated notes, series I. **Price**—At par. **Business**—A cooperative wholesaler of hardware and related items. **Proceeds**—For working capital. **Office**—2740 N. Clybourn Ave., Chicago. **Underwriter**—None.

Creative Ventures Corp.
May 28, 1962 filed 150,000 common and warrants to purchase 30,000 additional shares, to be offered in units of one share and one warrant. **Price**—$2.25 per unit. **Business**—A corporate guidance and interim financing concern. Company may also act as a broker-dealer and underwriter. **Proceeds**—For investment. **Office**—733 Third Ave., N. Y. **Underwriter**—Hampstead Investing Corp., New York.

Credit Department, Inc.
Jan. 26, 1962 filed $1,200,320 of 7% conv. subord. debentures due 1974 and 54,560 common shares to be offered in 2,728 units, each consisting of $440 of debentures and 20 common shares. **Price**—$550 per unit. **Business**—A consumer sales finance company. **Proceeds**—For debt repayment. **Office**—1775 Broadway, N. Y. **Underwriter** — Bernard M. Kahn & Co., Inc., N. Y. **Offering**—Expected in February.

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 Corp. of America (1/28-31)
Oct. 29, 1962 filed 105,000 common. **Price**—$1.25. **Business**—Development of specialized data processing applications and the furnishing of data processing services. **Proceeds**—For training of personnel, advertising and sales promotion, and working capital. **Office**—44 Beaver St., New York. **Underwriter**—A. D. Gilhart & Co., Inc., New York.

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.

Delta Bowling Corp.
Sept. 28, 1962 filed 100,000 common, of which 50,000 shares are to be offered by company and 50,000 by stockholders. **Price**—$3. **Business**—Leasing and operating of bowling centers. **Proceeds**—For expansion, equipment and working capital. **Office**—230 Park Ave., N. Y. **Underwriter**—Provost Securities, Inc., N. Y.

De Troy Bergen, Inc.
Dec. 20, 1962 filed 140,000 common. **Price**—$4. **Business**—Commercial printing. **Proceeds**—For debt repayment, and other corporate purposes. **Office** — 750 Hyler St., Teterboro, N. J. **Underwriter**—Van Alstyne Noel Corp., New York. **Offering**—Expected in late February.

Deuterium Corp.
Sept. 28, 1962 filed 120,000 common with attached warrants to purchase an additional 120,000 shares to be offered for subscription by holders of its stock and debentures in units (of one share and one warrant) on the basis of 3 units for each 5% prior preferred share held, 2 units for each 5% preferred A stock held and 40 units for each $1,200 face amount of non-interest bearing subordinated debentures held. At the same time, the company will offer the securities to the public. **Price**—To subscribers, $20; to public, $22.25. **Business**—Company plans to erect a small size production and experimental plant for the limited manufacture of deuterium and deuterium oxide, and to establish and equip a general research laboratory. **Proceeds**—For working capital, construction, equipment and other corporate purposes. **Office**—360 Lexington Ave., N. Y. **Underwriter**—None.

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 March.

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.

Dixie Lime & Stone Co. (1/28-31)
Sept. 27, 1962 filed 100,000 common. **Price**—By amendment (max. $6.75). **Business**—Mining and processing of crushed granite, lime rock, and agricultural limestone. **Proceeds**—For loan repayment, and working capital. **Office**—11 N. Main St., Ocala, Fla. **Underwriter**—Courts & Co., Atlanta, Ga.

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. **Note**—The SEC has questioned the accuracy and adequacy of this statement.

Donmoor-Isaacson, Inc. (1/28-31)
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., New York.

Duro-Test Corp.
Dec 6, 1962 filed 150,000 common. **Price**—By amendment (max. $9). **Business** — Manufacture of various types of lights for industrial and commercial use. **Proceeds**—For the selling stockholder. **Office** — 2321 Hudson Blvd., North Bergen, N. J. **Underwriter**—Auchincloss, Parker & Redpath, New York. **Offering**—Indefinite.

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.

Dynapower Systems Corp.
Sept. 28, 1962 filed 750,000 common. **Price**—$1. **Business**—Manufacture of electro-mechanical vehicles and electronic devices for medical and marine purposes. **Proceeds**—For working capital, equipment and debt repayment. **Office**—2222 S. Centinela Ave., Los Angeles. **Underwriter**—None.

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., New York. **Note**—This registration is expected to be withdrawn.

● **Electro-Nucleonics, Inc.**
Sept. 24, 1962 ("Reg. A") 29,525 common. **Price**—$5. **Business**—Research and development toward improvement of gas centrifuge technology for separation of isotope and gaseous materials. **Proceeds**—For equipment, expansion, research and working capital. **Office**—368 Passaic Ave., Caldwell, N. J. **Underwriter**—M. L. Lee & Co., Inc., N. Y. **Offering**—Imminent.

● **Electro-Temp Systems, Inc.**
Oct. 18, 1962 ("Reg. A") 160,000 common. **Price** — $1. **Business**—Sale of commercial and industrial refrigeration machinery and equipment. **Proceeds**—For debt repayment, equipment, inventory and working capital. **Office**—150-49 Hillside Ave., Jamaica, N. Y. **Underwriter**—S. C. Burns & Co., Inc., N. Y. **Offering**—Indefinite.

Equity Funding Corp. of America
March 29, 1962 filed 240,000 common. **Price**—By amendment (max. $6.50). **Business**—A holding company for firms selling life insurance and mutual funds. **Proceeds**—For new sales offices, advances to subsidiaries and working capital. **Office**—5150 Wilshire Blvd., Los Angeles. **Underwriter**—Wisconsin-Continental, Inc., Milwaukee.

● **Everbest Engineering Corp.**
April 2, 1962 filed 100,000 class A shares. **Price**—$2.40. **Business**—Manufacture and sale of long-lived electric lamps. **Proceeds**—New product development, inventories and working capital. **Office**—41 E. Twelfth St., N. Y. **Underwriter**—Planned Investing Corp., N. Y. **Note**—This registration was withdrawn.

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. **Note**—This registration will be withdrawn.

Fedco Corp.
Oct. 29, 1962 filed 20,000 common, of which 17,500 are to be offered by company and 2,500 by a shareholder. **Price**—By amendment (max. $15). **Business**—Design and manufacture of tools, dies, molds, beryllium castings and the distribution of plastic, metal and glass products for home use. **Proceeds**—For a recession offer to stockholders and reduction of accounts payable. **Office**—3600 W. Pratt Ave., Chicago. **Underwriter**—None.

● **Fidelity Bankers Life Insurance Co. (1/16)**
Dec. 21, 1962 refiled 175,000 common. **Price**—By amendment. **Business**—Writing of ordinary life, group life and credit life, casualty and property insurance, and reinsurance. **Proceeds**—For selling stockholders. **Address**—Broad at Willow Lawn, Richmond, Va. **Underwriters**—Lee Higginson Corp., and Shearson, Hammill & Co., New York.

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.

First American Israel Mutual Fund
Aug. 15, 1962 filed 2,750,000 shares of beneficial interest. **Price**—By amendment (max. $10). **Business**—A mutual fund which plans to invest primarily in equity type securities of Israeli companies. **Proceeds**—For investment. **Office**—141 Milk St., Boston. **Underwriter**—Paine, Webber, Jackson & Curtis, Boston. **Offering**—Expected in February.

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.

Florida Bancgrowth, Inc.
March 16, 1962 filed 200,000 common. **Price**—By amendment (max. $15). **Business**—An investment company specializing in bank stocks. **Proceeds**—For investment. **Office**—3356 Atlantic Blvd., Pompano Beach, Fla. **Underwriter**—Dempsey-Tegeler & Co., Inc., St. Louis. **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.

Floseal Corp.
May 10, 1962 filed 169,420 common to be offered for subscription by stockholders. **Price**—By amendment

(max. $2). **Business**—Company owns and licenses carton pouring spout patents and die patents. **Proceeds**—For debt repayment and other corporate purposes. **Office**—100 W. 10th St., Wilmington, Del. **Underwriter**—None.

Forst (Alex) & Sons, Inc.
March 23, 1962 filed 125,000 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., New York. **Offering**—Indefinite.

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.

Geigher Pipe Supply Inc.
Sept. 28, 1962 filed 60,000 class A common, of which 50,000 are to be offered by company and 10,000 by stockholders. **Price**—$9.50. **Business**—Sale of steel pipes, valves and fittings. **Proceeds**—For inventory. **Office**—4124 N. Broadway, St. Louis. **Underwriter**—Midland Securities Co., Inc., Kansas City, Mo. **Offering**—February.

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.

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**—Birr, Wilson & Co., Inc., San Francisco. **Note**—This registration will be withdrawn.

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.

● **Gotham Educational Equipment Co. Inc.**
Dec. 4, 1962 filed 75,000 common. **Price**—By amendment (max. $6). **Business**—Design, manufacture, and marketing of items used in educational institutions such as chalk boards, exhibit cases, etc. **Proceeds**—For general corporate purposes. **Office** — 91 Weyman Ave., New Rochelle, N. Y. **Underwriter**—Federman, Stonehill & Co., New York. **Offering**—Expected in mid-March.

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.

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.

● **Greatamerica Corp.**
Dec. 31, 1962 filed 2,500,000 common, of which 1,650,000 are to be offered by the company and 850,000 by a stockholder. **Price**—By amendment (max. $19). **Business**—A holding company for four life insurance companies and a bank. **Proceeds**—For debt repayment. **Office**—311 So. Akard St., Dallas. **Underwriters**—Goldman, Sachs & Co., and Lehman Brothers, New York. **Offering**—Expected in early February.

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 50,000 are to be offered by company and 100,000 by stockholders. **Price**—By amendment (max. $7). **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, New York. **Offering**—Indefinite.

Gulf Atlantic Utilities, Inc.
July 30, 1962 filed 90,000 common. **Price**—By amendment (max. $10). **Business** — A management and operating company for subsidiaries which own water treatment and sewerage disposal plants, and water distribution and sewage collections systems. **Proceeds**—For debt repayment, expansion and working capital. **Office**—2738 Malinda Blvd., Jacksonville, Fla. **Underwriter**—Pierce, Carrison, Wulbern, Inc., Jacksonville. **Offering**—Indefinite.

Hallandale Rock & Sand Co.
March 30, 1962 filed $250,000 of 8% subordinated debentures due 1977, 200,000 common and 6-year warrants to purchase 25,000 common at $1 per share to be offered in units consisting of a $10 debenture, 8 common shares and one warrant. **Price**—$18 per unit. **Business**—Extraction, processing and sale of rock and sand. **Proceeds**—For a new plant and other corporate purposes. **Address**—Hallandale, Fla. **Underwriter**—To be named.

Harrisonville Telephone Co. (1/15)
Dec. 17, 1962 ("Reg. A") 5,600 shares of 6% cumulative preferred (par $50). **Price**—$53. **Proceeds** — To repay bank loans, for construction and working capital. **Address**—Waterloo, Ill. **Underwriter**—McCourtney-Breckenridge & Co., St. Louis.

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.

Heartland Development Corp.
March 28, 1962 filed 23,300 shares of 5% convertible preference stock to be offered for subscription by stockholders on basis of one preferred share for each 10 common held. **Price**—$12. **Business**—Real estate. **Proceeds**—For general corporate purposes and debt repayment. **Office**—40 Beaver St., Albany, N. Y. **Underwriter**—None.

Heck's Discount Centers, Inc.
June 7, 1962 filed 125,000 common. **Price**—By amendment (max. $5). **Business**—Operation of discount stores. **Proceeds**—For inventory, expansion, debt repayment and working capital. **Office**—6400 MacCorkle Ave., S. W., St. Albans, W. Va. **Underwriter**—Willard Securities, Inc., New York. **Offering**—Expected in late February.

Hek Manufacturing Co., Inc.
Aug. 7, 1962 ("Reg. A") 75,000 common, of which 69,000 shares are to be offered for the account of the company and 6,000 shares for the underwriter. **Price**—$2. **Business**—Manufacture of dental equipment. **Proceeds**—For debt repayment, advetrising, research and development and working capital. **Office**—2176 Palou, San Francisco. **Underwriter**—L. H. Wright Co., Inc., N. Y.

Hill Street Co.
Oct. 16, 1961 filed 2,265,138 common to be offered for subscription by stockholders of Union Bank of California on a share-for-share basis. **Price**—$3. **Business**—A management investment company. **Proceeds**—For investment. **Office**—760 S. Hill St., Los Angeles. **Underwriter**—None.

Hillsboro Associates, Inc.
Nov. 27, 1962 filed $1,000,000 of 4% cum. income debentures due 1982 and 15,000 capital shares to be offered in units consisting of 10 shares or one $500 debenture and five shares. **Price**—$1,000 per unit. **Business**—Company plans to purchase the Hillsboro Club, a social and recreational organization. **Proceeds**—For working capital, debt repayment, and property improvement. **Office**—1776 E. Sunrise Blvd., Fort Lauderdale, Fla. **Underwriter**—None.

Hollingsworth Solderless Terminal Co.
Feb. 27, 1962 ("Reg. A") 75,000 common. **Price** — $4. **Business**—Manufacture, sale and development of solderless terminals and other wire terminating products. **Proceeds**—For debt repayment, equipment, advertising and working capital. **Address**—P. O. Box 430, Phoenixville, Pa. **Underwriter**—Harrison & Co., Philadelphia. **Offering**—Temporarily postponed.

Honora, Ltd.
Nov. 29, 1961 ("Reg. A") 76,500 common. **Price**—$3.75. **Business**—Purchase of cultured pearls in Japan and their distribution in the U. S. **Proceeds**—For general corporate purposes. **Office**—42 W. 48th St., N. Y. **Underwriter**—Sunshine Securities, Inc., Rego Park, N. Y.

● **Hunsaker (S. V.) & Sons**
March 30, 1962 filed $1,300,000 of convertible subordinated debentures due 1977 and 200,000 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**—To be named. **Offering**—Indefinite.

ICOA Life Insurance Co.
Oct. 25, 1962 filed 1,130,000 common to be offered for subscription by stockholders on a share-for-share basis. **Price**—$4. **Business**—Sale of ordinary life, individual health and disability, and group credit life and disability insurance. **Proceeds**—For expansion, and investment. **Office**—250 Liberty St., S. E. Salem, Ore. **Underwriter**—Oregon Underwriters, Inc., Salem.

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.

Illinois Power Co. (1/15)
Dec. 20, 1962 filed $35,000,000 first mortgage bonds due 1993. **Proceeds**—For loan repayment, and construction. **Office**—500 South 27th St., Decatur, Ill. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; 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). **Bids** — Jan. 15, (10 a.m. CST) in Room 2075, 231 So. La Salle St., Chicago. **Information Meeting** — Jan. 10, 1963 (2:15 p.m. CST) at Morgan Guaranty Trust Co., 60 Liberty St., New York.

Industry Capital Corp.
Dec. 26, 1961 filed 500,000 common. **Price**—$15. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—208 S. La Salle St., Chicago. **Underwriter**—A. C. Allyn & Co., Chicago. **Note**—This registration will be withdrawn.

Infotronics Corp.
Oct. 23, 1962 filed 100,000 common. **Price**—$5. **Business**—Research, engineering, manufacturing and marketing in the field of electronic information handling and automation systems. **Proceeds**—For new products, inventory, new plant and working capital. **Office**—1401 S. Post Oak Rd., Houston. **Underwriter**—None.

Instr-O-Matics, Inc.
Sept. 28, 1962 filed 32,000 class A common. **Price**—By amendment (max. $10). **Business** — Company develops, manufactures and sells electronic equipment for use in the marine field, principally in pleasure boating. **Proceeds**—For debt repayment, advertising, inventories, new products and working capital. **Office**—3181 N. Elston Ave., Chicago. **Underwriter** — R. A. Holman & Co., Inc., N. Y.

Instrument Components, Inc.
June 11, 1962 ("Reg. A") 135,000 common. **Price** — $1. **Business** — Manufacture and distribution of electromechanical 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.

Intelectron Corp.
Dec. 10, 1962 filed 100,000 common. **Price**—$3. **Business**—Company plans to engage in the research and development of devices for the hard of hearing and equipment applicable to certain specialized and affiliated areas of communication. **Proceeds**—For general corporate purposes. **Office**—171 E. 77th St., New York. **Underwriter**—None.

International Systems Research Corp.
March 30, 1962 filed 110,000 class A common and 9-month warrants to purchase 110,000 class A shares at $4 per share, to be offered in units, each consisting of one share and one warrant. **Price**—$4 per unit. **Business**—Design, development and manufacture of mechanical, electromechanical and electronic equipment for government agencies and the military. **Proceeds**—For equipment, debt repayment and working capital. **Office**—Engineer's Hill, Plainview, L. I., N. Y. **Underwriter**—Leib, Skloot & Co., Inc., Clifton, N. J. **Offering**—Indefinite.

International Terrazzo Co., Inc.
Nov. 8, 1962 ("Reg. A") 75,000 common. **Price**—$2. **Business**—Manufacture and installation of terrazzo, and the installation of marble and tile. **Proceeds**—For debt repayment, equipment, working capital and other corporate purposes. **Office**—826 E. 62nd St., Brooklyn, N. Y. **Underwriter**—Jay Gould & Co., Inc., 111 W. 57th St., New York.

Interstate Equity
March 30, 1962 filed 1,605,100 shares of beneficial interest. **Price**—(max. $10). **Business**—A real estate investment company. **Proceeds**—For investment. **Office**—450 Seventh Ave., N. Y. **Underwriter**—Van Alstyne, Noel & Co., N. Y. **Offering**—Indefinite.

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.

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.

● **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., New York **Offering**—Indefinite.

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. **Note**—This registration will be withdrawn.

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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. **Offering**—Indefinite.

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.

King-Stevenson Gas & Oil Co.
Nov. 26, 1962 filed $1,526,200 of 6½% conv. subord. debentures, due 1977, to be offered by subscription by common stockholders at the rate of $100 of debentures for each 30 shares held of record Nov. 15. **Price**—At par. **Business**—Company is engaged in operating gas and oil properties, supervising drilling on its leases and managing exploration programs for investors. **Proceeds**—For general corporate purposes. **Office**—2200 First National Bank Bldg, Denver, Colo. **Underwriter**—None.

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.

Las Vegas Properties Trust
Oct. 29, 1962 filed 500,000 shares of beneficial interest. **Price**—$10. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—4933 Paradise Rd., Las Vegas. **Underwriter**—Securities Co. of Nevada (same address).

Lewis (Tillie) Foods, Inc. (1/28-31)
April 9, 1962 filed $2,250,000 of 5½% convertible subordinated debentures due 1982. **Price**—At par. **Business**—Processing, canning, bottling and selling of fruits and vegetables. **Proceeds**—For debt repayment and working capital. **Office**—Fresno Ave. & Charter Way, Stockton, Calif. **Underwriter**—Van Alstyne, Noel & Co., N. Y.

Lewiston Gorham Raceways, Inc.
Oct. 26, 1962 filed 450,000 common. **Price**—$1. **Business**—Company conducts commercial parimutuel harness racing meets. **Proceeds**—For debt repayment, purchase of land, and raceway improvements. **Office**—33 Court St., Auburn, Maine. **Underwriter**—None. **Note**—This company formerly was named Central Maine Raceways, Inc.

Litho-Web, Inc.
Oct. 26, 1962 ("Reg. A") 150,000 common. **Price**—$2. **Business**—Manufacture of various types of business and data processing forms. **Proceeds**—For debt repayment and working capital. **Address**—P. O. Box 168, Leaksville, N. C. **Underwriter**—Smith, Clanton & Co., Inc., Greensboro, N. C.

Litton Industries, Inc.
Dec. 18, 1962 filed 215,444 common. **Price**—By amendment (max. $70.) **Business**—Manufacture of electronic systems, business machines, nuclear powered submarines, and ships. **Proceeds**—For selling stockholders. **Office**—336 N. Foothill Rd., Beverly Hills, Calif. **Underwriters**—Lehman Brothers; Clark, Dodge & Co., and Goldman, Sachs & Co., New York. **Offering**—Imminent.

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. **Offering**—Indefinite.

Logos Options, Ltd. (1/28-31)
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.

Loyalty Financing Corp.
Dec. 19, 1962 ("Reg. A") 24,000 shares of 6½% cumulative convertible preferred and 60,000 common to be offered in units consisting of 20 preferred and 50 common shares. **Price**—$250 per unit. **Business**—A business finance company. **Proceeds**—For working capital. **Office**—5 W. Main St., Freehold, N. J. **Underwriter**—Friedman & Co., Inc., New York.

Luck's, Inc. (1/28-31)
Dec. 5, 1962 filed 145,500 common, of which 72,750 are to be offered by company and 72,500 by stockholders. **Price**—By amendment (max. $9). **Business**—Canning and marketing of processed foods. **Proceeds** — For general corporate purposes. **Address** — Seagrove, N. C. **Underwriters**—J. C. Wheat & Co., Richmond, Va., and Allied Securities Corp., Greensboro, N. C.

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.

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.

Madison Life Insurance Co.
Dec. 27, 1963 filed 219,000 capital shares. **Price** — $6. **Business** — Company plans to sell life, accident and health, group insurance and annuities in New York State. **Proceeds**—For organizational expenses, and investment. **Office**—1 Liberty St., New York. **Underwriter**—None.

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**—To be named. **Offering**—Indefinitely postponed.

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.

Manchester Insurance Management & Investment Corp.
Nov. 28, 1962 filed 272,941 common. **Price**—$3.50. **Business**—Writing of casualty insurance, adjustment of claims, financing of insurance premiums, and the making of investments. **Proceeds**—For expansion, loan repayment and other corporate purposes. **Office**—9929 Manchester Rd., St. Louis. **Underwriter**—Troster, Singer & Co., N. Y.

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. **Note**—This registration will be withdrawn.

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**—To be named. **Offering**—Indefinitely postponed.

● **Master Artists Corp. (1/16)**
Nov. 26, 1962 ("Reg. A") 65,000 capital shares. **Price**—$1. **Business**—Production and distribution of recorded radio shows. **Proceeds**—For debt repayment, inventory, working capital and other corporate purposes. **Office**—9641 Heather Rd., Beverly Hills, Calif. **Underwriter**—Keon & Co., Los Angeles.

McGrath (John W.) Corp.
June 28, 1962 filed 253,875 common. **Price**—By amendment (max. $15). **Business**—Contract stevedoring and related operations. **Proceeds**—For selling stockholders. **Office**—39 Broadway, N. Y. **Underwriter**—Bear, Stearns & Co., New York. **Offering**—Indefinite.

● **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. **Note**—This registration was withdrawn.

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** — $1. **Business** — Manufacture of medical electronic equipment. **Proceeds** — For general corporate purposes. **Office**—Studio City, Calif. **Underwriter** — Financial Equity Corp., Los Angeles.

Merco Enterprises, Inc.
Nov. 5, 1962 filed 104,000 common, of which 33,000 are to be offered by company and 71,000 by stockholders. **Price**—By amendment (max. $5.50). **Business**—Sale of phonograph records to, and the providing of merchandising services to retail record department. **Proceeds**—For general corporate purposes. **Office**—750 Stewart Ave., Garden City, L. I., N. Y. **Underwriter**—J. R. Williston & Beane, N. Y. **Offering**—Indefinite.

Met Food Corp.
March 30, 1962 filed $1,000,000 of convertible subordinated debentures due Nov. 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. **Offering**—Indefinite.

Midwestern Indemnity Co.
Dec. 26, 1962 filed 25,495 common to be offered for subscription by stockholders on the basis of one share for each three held of record Dec. 31, 1962. **Price**—$19.50. **Business**—A multiple line insurance carrier. **Proceeds**—For additional capital and surplus. **Office**—6901 Wooster Pike, Cincinnati. **Underwriters**—W. D. Gradison & Co., Cincinnati, and Greene & Ladd, Dayton.

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.

Modern Laboratories, Inc.
Oct. 29, 1962 ("Reg. A") 97,000 common. **Price**—$3. **Business** — Manufacture of cosmetics. **Proceeds** — For equipment. **Office**—837 W. North Ave., Pittsburgh. **Underwriter**—A. J. Davis Co., Pittsburgh.

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. **Note**—This registration was withdrawn.

Montreal (City of) (1/14)
Dec. 21, 1962 filed $9,000,000 of sinking fund debentures for local improvements due Jan. 15, 1963 and $16,000,000 of sinking fund debentures for public works due Jan. 1, 1988. **Price**—By amendment. **Address**—Montreal, P. Q., Canada. **Underwriters**—(Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.-Shields & Co.-Salomon Bros. & Hutzler-Morgan, Ostiguy & Hudson Ltd.; Lehman Brothers-L. G. Beaubien & Co. Ltd.-Credit Interprovincial Ltd.; Smith, Barney & Co.-Dominion Securities Corp. (jointly); **Bids**—Jan. 14 (11 a.m. EST) in Montreal.

Municipal Investment Trust Fund, Series B
April 28, 1961 filed $15,000,000 (15,000 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. **Offering**—Indefinite.

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 Central Life Insurance Co.
Dec. 7 filed 125,000 common. **Price** — By amendment (max. $15). **Business**—Writing of health and accident insurance. **Proceeds**—For general corporate purposes. **Address**—2632 McGee St., Kansas City, Mo. **Underwriter**—To be named.

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. **Note**—This registration will be withdrawn.

National Fence Manufacturing Co., Inc.
Nov. 29, 1962 filed 100,000 common. **Price**—$8.75. **Business** — Manufacture of galvanized chain link fence, welded concrete reinforcing fabric, gates and related products. **Proceeds**—For construction of a plant in Ireland, and working capital. **Office**—4301 46th St., Bladensburg, Md. **Underwriter**—Netherlands Securities Co., Inc., N. Y. **Offering**—Expected in February.

National Memorial Estates
Oct. 11, 1962 filed 4,750,000 common. **Price**—$1. **Business**—Company plans to engage in cemetery development and to establish and operate a life and disability insurance concern. **Proceeds**—For general corporate purposes. **Office**—13 S. Broadway, Red Lodge, Mont. **Underwriter**—Security Brokerage Co., Billings, Mont.

National Mortgage Corp.
Dec. 28, 1962 refiled $8,000,000 face amount certificates (series 20) and 300,000 common shares. **Price**—For certificates, $762; for stock, $1.15. **Business**—A mortgage

loan company. **Proceeds**—For general corporate purposes. **Office**—113 S. Hydraulic, Wichita, Kan. **Underwriter**—National Mortgage Agency, Inc., (same address).

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.

National Security Life Insurance Co., Inc.
Nov. 28, 1962 filed 590,075 common to be offered for subscription by common stockholders of record Oct. 15, on a share-for-share basis. **Price**—By amendment (max. $2). **Business**—Writing of participating and non-participating ordinary life insurance. **Proceeds** — To expand operations. **Office**—6225 University Ave., Madison, Wis. **Underwriter**—None.

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**—None. **Note**—This registration will be withdrawn.

● **Natural Gas & Oil Producing Co. (2/15)**
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.

Nippon Electric Co. Ltd. (1/28-31)
Dec. 7, 1962 filed 400,000 American Depositary Shares, representing 10,000,000 common. **Price**—By amendment (max. $22.50). **Business**—Manufacture of telecommunications and electronic equipment. **Proceeds**—For expansion. **Address**—Tokyo, Japan. **Underwriters**—First Boston Corp., and Daiwa Securities Co., Ltd., New York.

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 April.

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.

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. **Note**—This registration will be withdrawn.

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.

Orr (J. Herbert) Enterprises, Inc.
May 1, 1962 filed 200,000 common. **Price**—$5.25. **Business**—The company and its subsidiaries manufacture and distribute cartridge type tape player recorders and programs therefor; sell at retail nationally known audio visual equipment; and manufacture men's and boy's dress trousers. **Proceeds** — For additional inventory, equipment, research, and working capital. **Address**—P. O. Box 27, Opelika, Ala. **Underwriter**—First Alabama Securities, Inc., Montgomery. **Offering**—Expected in March.

Outlet Mining Co., Inc.
Feb. 28, 1962 filed 900,000 common. **Price**—$1. **Business**—Mining. **Proceeds**—For equipment and working capital. **Address**—Creede, Colo. **Underwriter**—None.

Pacific Southwest Airlines.
Dec. 26, 1962 filed 293,000 common, of which 80,000 are to be offered by company, and 213,000 by stockholders. **Price**—By amendment (max. $20). **Business**—Company operates a scheduled airline in California, providing daily service between San Diego, Los Angeles, and San Francisco. **Proceeds**—For prepayment of loans. **Office**—3100 Goddard Way, San Diego, Calif. **Underwriter**—E. F. Hutton & Co., Inc., Los Angeles.

Pak-Well Paper Industries, Inc.
March 30, 1962 filed 150,000 class A common. **Price**—By amendment (max. $13). **Business**—Manufacture of envelopes, packaging materials of various kinds, wrapping paper, stationery, and school supplies. **Proceeds**—For selling stockholders. **Office**—198 W. Alameda, Denver. **Underwriter**—Francis I. du Pont & Co., N. Y. **Offering**—Indefinitely postponed.

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.

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. **Note**—This registration will be withdrawn.

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.

Petrolane Gas Service, Inc.
Dec. 18, 1962 filed 100,000 common. **Price**—By amendment (max. $30.) **Business**—Sale and distribution of liquified petroleum gas. **Proceeds**—To reimburse treasury for the acquisition of other companies, debt repayment, and working capital. **Office**—1696 E. Hill St., Signal Hill, Calif. **Underwriter**—Dean Witter & Co., Los Angeles.

● **Pioneer Telephone Co. (1/28-31)**
Dec. 28, 1962 filed 75,000 common, of which 44,416 are to be offered by company and 30,584 by stockholders. **Price**—By amendment (max. $20). **Proceeds**—For debt repayment, expansion and working capital. **Office**—40 S. Elm St., Waconia, Minn. **Underwriters**—Dean Witter & Co., San Francisco, and M. H. Bishop & Co., Minneapolis.

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**—Golkin, Divine & Fishman, Inc., Chicago. **Offering**—Indefinite.

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.

Powell Petroleum, Inc.
Sept. 28, 1962 filed 100,000 common. **Price**—$5. **Proceeds**—To drill for and operate oil wells. **Office**—418 Market St., Shreveport, La. **Underwriter**—None.

Prescott-Lancaster Corp.
March 30, 1962 filed 150,000 common. **Price**—$5. **Business**—Real estate. **Proceeds**—For purchase of mortgages, and working capital. **Office**—18 Lancaster Rd., Union, N. J. **Underwriter**—To be named.

Prince Georges Country Club, Inc.
Oct. 15, 1962 filed 500 common to be offered for subscription by stockholders on the basis of one new share for each share held of record Feb. 18, 1962. **Price**—$1,000. **Proceeds**—For debt repayment, construction of a swimming pool, and other improvements. **Address**—Landover, Prince Georges County, Md. **Underwriter**—None.

● **Publishers Co., Inc.**
Aug. 29, 1962 filed 25,000 outstanding common shares to be sold by stockholders. **Price**—By amendment (max. $10). **Business**—Book publishing. **Office**—1106 Connecticut Ave., Washington, D. C. **Underwriter**—Roth & Co., Inc., Philadelphia. **Note**—This registration will be withdrawn.

Putnam Management Co., Inc.
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. **Underwriter**—To be named.

Quick-N-Clean Corp. of Minnesota, Inc.
Oct. 1, 1962 ("Reg. A") 205,000 common. **Price**—$1.15. **Business**—Company plans to open a chain of coin operated dry cleaning stores. **Proceeds**—Advertising, expansion and working capital. **Office**—712 Fir St., Brainerd, Minn. **Underwriter**—Northwest Securities, Inc., Detroit Lakes, Minn.

R. E. D. M. Corp.
June 29, 1962 filed 125,000 common, of which 50,000 will be offered for the company and 75,000 for certain stockholders. **Price**—By amendment (max. $6). **Business**—Engaged in manufacturing, engineering and research under Defense Department contracts; also manufactures ball point pens, points, mechanical pencils and desk sets. **Proceeds**—For equipment and working capital. **Office**—Little Falls, Passaic County, N. J. **Underwriter**—To be named.

Radar Relay, Inc.
Oct. 1, 1962 filed 100,000 common, of which 75,000 will be sold by company and 25,000 by a stockholder. **Price**—By amendment (max. $10). **Business**—Design and manufacture of electronic monitoring and warning systems, and integrally lighted switches. **Proceeds** — For product improvement and development, working capital, and other corporate purposes. **Office**—1631 10th St., Santa Monica, Calif. **Underwriter**—White, Weld & Co. Inc., New York. **Offering**—Indefinite.

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. **Note**—This registration will be withdrawn and then refiled.

● **Recreation Industries, Inc.**
Nov. 23, 1962 ("Reg. A") 75,000 common. **Price** — $2. **Business**—Sale of travel and entertainment. **Proceeds**—For capital investment, and working capital. **Office**—411 W. 7th St., Los Angeles. **Underwriter** — Costello, Russotto & Co., Beverly Hills, Calif. **Offering**—Feb.

Regulators, Inc.
Jan. 29, 1962 filed 75,000 common, of which 50,000 are to be offered by the company and 25,000 by Electronic Specialty Co., parent. **Price**—$5. **Business**—Design and manufacture of regulating and control devices used in the electric and electronic fields. **Proceeds**—For debt repayment and working capital. **Office**—455 W. Main St., Wyckoff, N. J. **Underwriter**—Myron A. Lomasney & Co., N. Y. **Note**—This registration will be withdrawn and then refiled.

Remitco, Inc.
Nov. 19, 1962 filed 952,000 common. **Price**—$10. **Business**—Company is engaged in selling "puts" and "calls." **Proceeds**—For working capital. **Office**—130 N. Virginia St., Reno, Nev. **Underwriter**—None.

Resort Corp. of Missouri
Nov. 27, 1962 filed 125,000 class A common and three-year warrants to purchase 1,250 class A shares to be offered in units consisting of four shares and one warrant. **Price** — $32 per unit. **Business** — Company will erect and operate a luxury hotel and resort facilities, and sell 80 acres of land for home sites. **Proceeds**—For construction. **Office**—3615 Olive St., St. Louis. **Underwriter**—R. L. Warren Co., St. Louis. **Offering**—Expected in February or March.

● **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. **Offering**—Indefinite.

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.

● **Roddy Recreation Products Inc. (2/11)**
Dec. 31, 1962 filed $1,000,000 of 6½% convertible subordinated debentures due 1978 and 50,000 common shares to be offered in units of one $500 debenture and 25 shares. **Price**—$650 per unit. **Business**—Manufacture and sale of fishing equipment, ammunition reloading devices and cord, tapes, etc. **Proceeds**—For debt repayment and working capital. **Office**—1526 W. 166th St., Gardena, Calif. **Underwriter** — Dempsey - Tegeler & Co., Inc., St. Louis.

Rona Lee Corp.
Sept. 26, 1962 filed 100,000 common. **Price**—$5. **Business**—Design, manufacture, and distribution of girls' blouses, sportswear, and coordinates. **Proceeds**—For debt repayment. **Office**—112 W. 34th St., N. Y. **Underwriter**—Winslow, Cohu & Stetson Inc., N. Y. **Offering**—Indefinite.

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. **Note**—This registration will be withdrawn.

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.

Russell Mills, Inc.
Sept. 28, 1962 filed 312,500 common. **Price**—By amendment (max. $12). **Business**—Manufacture of athletic clothing, knitted underwear, children's sleepwear and cotton cloth. **Proceeds**—For bond retirement and plant expansion. **Address**—Alexander City, Ala. **Underwriter**—Hornblower & Weeks, N. Y. **Note** — This company

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formerly was called Russell Manufacturing Co. **Offering**—Indefinite.

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. **Note**—This registration will be withdrawn.

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).

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.

Servotronics, Inc. (1/14-18)
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.

Shaker Properties
Oct. 19, 1962 filed 215,000 shares of beneficial interest. **Price**—$15. **Business** — A real estate investment trust. **Proceeds**—For investment and working capital. **Office**—1956 Union Commerce Bldg., Cleveland, Ohio. **Underwriter**—McDonald & Co., Cleveland. **Offering**—Indefinite.

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.

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.

Sovereign Life Insurance of California
Nov. 28, 1962 filed 800 capital shares. **Price**—$2,500. **Business**—Company plans to engage in writing life and disability insurance in California. **Proceeds**—For capital and surplus. **Office**—510 S. Spring St., Los Angeles. **Underwriter**—McDonnell & Co., Inc., New York. **Offering**—Indefinite.

Sperti Products, Inc. (1/28-31)
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., New York.

Stars of New York, Inc.
Dec. 28, 1962 filed $450,000 of 15-year 8% debentures and 15,000 common shares to be offered in 300 units, each consisting of $1,500 of debentures and 50 shares. **Price**—$2,000 per unit. **Business**—Operation of discount department stores. **Proceeds**—For debt repayment and working capital. **Office**—North Colony Rd., Wallingford, Conn. **Underwriter**—None.

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 Fund, Inc.**
March 20, 1962 filed 500,000 common. **Price**—$20. **Business**—A new mutual fund which plans to offer investors the opportunity of exchanging their individual securities for shares of the Fund without incurring Federal income tax liability. **Office**—15 William St., New York. **Dealer-Manager**—J. R. Williston & Beane, N. Y. **Note**—This company formerly was named Stratton Realty & Construction Fund, Inc.. **Offering**—Indefinite.

● **Superior Commercial Corp.**
Nov. 15, 1962 filed 200,000 class A common, of which 100,000 are to be offered by the company and 100,000 by stockholders. **Price**—$1.50. **Business**—Company buys and holds second mortgages. **Proceeds**—For general corporate purposes. **Office**—9 Maiden Lane, New York. **Underwriter**—S. C. Burns & Co., Inc., New York. **Offering**—Expected in February.

● **Tabach Industries, Inc.**
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. **Offering**—Imminent.

● **Tactair Fluid Control, 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. **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.

Tenna Corp.
Sept. 28, 1962 filed 122,000 common. **Price**—By amendment (max. $11). **Business**—Manufacture of automobile antennas and radios. **Proceeds**—For repayment of bank loans and working capital. **Office**—19201 Cranwood Parkway, Warrensville Heights, Ohio. **Underwriters**—Westheimer & Co., Cincinnati, and Hartzmark & Co., Inc., Cleveland.

● **Tennessee Gas Transmission Co. (1/22)**
Oct. 11, 1962 filed $50,000,000 of first mortgage pipe line bonds due Dec. 1, 1982. **Price**—By amendment. **Proceeds**—For debt repayment, and construction. **Office**—Tennessee Bldg., Houston. **Underwriters**—Stone & Webster Securities Corp.; White, Weld & Co.; Halsey, Stuart & Co., Inc.

Texas Plastics, Inc.
July 27, 1962 filed 313,108 common. **Price**—$3.50. **Business**—Operation of a plant producing plastic film and packaging products. **Proceeds**—For working capital. **Address**—Elsa, Texas. **Underwriter**—Crow, Brourman & Chatkin, Inc., N. Y.

Top Dollar Stores, Inc.
May 1, 1962 filed 200,000 common, of which 100,000 are to be offered by company and 100,000 by stockholders. **Price**—$5. **Business**—Operation of a chain of self-service retail stores selling clothing, housewares, etc. **Proceeds**—For expansion, equipment and working capital. **Office**—2220 Florida Ave., Jasper, Ala. **Underwriter**—Philips, Appel & Walden, 115 Broadway, N. Y. **Offering**—Temporarily postponed.

Tourist Industry Development Corp. Ltd.
Aug. 3, 1962 filed $5,000,000 of 7% senior debenture stock due 1962. **Price**—At par. **Business**—Company was organized by the State of Israel to furnish financing to tourist enterprises. **Proceeds**—For general corporae purposes. **Address**—Jerusalem, Israel. **Underwriter**—American-Israel Basic Economy Corp., N. Y.

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.

● **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** — To be named. **Note**—This registration was withdrawn.

Tyson's Foods, Inc.
Dec. 26, 1962 filed 100,000 common. **Price**—By amendment (max. $12). **Business**—Company operates an integrated poultry business. **Proceeds** — For construction, equipment and working capital. **Office**—317 East Emma Ave., Springdale, Ark. **Underwriter**—Rauscher, Pierce & Co., Inc., Dallas.

Ultrasonic Laboratories, Inc.
Nov. 29, 1962 filed 67,200 common. **Price**—$3.50. **Business**—Design, engineering and manufacture of specialized products primarily in the field of contamination control. Company also acts as sales agents and distributors of allied equipment in the fields of contamination control and ultrasonics. **Proceeds**—For debt repayment, equipment, advertising and other corporate purposes. **Office**—1695 Elizabeth Ave., Rahway, N. J. **Underwriter**—None.

United Camera Exchange, Inc.
Nov. 29, 1962 ("Reg. A") 100,000 common. **Price**—$3. **Business**—Operation of retail stores selling and trading cameras, films and other photographic equipment. Company also sells radios, tape recorders, dictating and photocopying machines, and provides a film developing and printing service. **Proceeds**—For new stores and camera concessions. **Office**—25 W. 43rd St., N. Y. **Underwriter**—Ingram, Lambert & Stephen, Inc., N. Y.

U. S. Cold Storage of Hawaii, Inc.
Nov. 20, 1962 ("Reg. A") 20,000 common. **Price** — $10. **Business** — Operation of a cold storage warehouse for frozen foods and other commodities. **Proceeds** — For a new warehouse, and working capital. **Office** — 3140 Ualena St., Honolulu. **Underwriter**—Loyalty Enterprises, Ltd., 32 Merchant St., Honolulu.

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.

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.

Venride Inc.
Nov. 5, 1962 filed 150,000 common. **Price**—$3. **Business**—Operation of coin-operated children's rides. **Proceeds**—For debt repayment, equipment and working capital. **Office**—241 Church St., N. Y. **Underwriter**—Leonard B. Stern & Co., N. Y.

Wade, Wenger ServiceMaster Co.
Nov. 23, 1962 filed $250,000 of 7% conv. subord. debentures due 1973. **Price**—95% of principal amount. **Business**—Sale of franchises for on-location cleaning of carpets, furniture, floors, etc., and the manufacture and sale of cleaning equipment and materials. **Proceeds**—For debt repayment and other corporate purposes. **Office**—2117 N. Wayne, Chicago. **Underwriter**—None.

Waterman Steamship Corp.
Aug. 29, 1961 filed 1,743,000 common. **Price**—By amendment. **Business**—The carrying of liner-type cargoes. **Proceeds**—For the purchase of vessels, and working capital. **Office**—71 Saint Joseph St., Mobile, Ala. **Underwriter**—Shields & Co., Inc., N. Y. (mgr.). **Offering**—Temporarily postponed.

Wellington Electronics, Inc.
Oct. 29, 1962 filed 50,000 common, of which 37,500 are to be offered by company and 12,500 by a stockholder. **Price**—$10. **Business**—Manufacture of etched aluminum foil; the company also produces and leases automatic winding machines used in the manufacture of capacitators. **Proceeds**—For loan repayment, equipment, plant expansion and working capital. **Office**—65 Honeck St., Englewood, N. J. **Underwriter**—Hemphill, Noyes & Co., New York. **Offering**—Indefinitely postponed.

Western Empire Real Estate Investments
Sept. 26, 1962 filed 600,000 shares of beneficial interest. **Price**—$4. **Business**—Company plans to qualify as a real estate investment trust. **Proceeds**—For investment. **Office**—1755 Gilpin St., Denver, Colo. **Underwriter**—None.

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., New York. **Note**—This registration will be withdrawn.

Western Travel, Inc.
Oct. 29, 1962 ("Reg. A") 175,000 common. **Price**—$1. **Business**—Operation of motels, hotels, restaurants and related businesses. **Proceeds**—For completion of a motel and working capital. **Office**—290 N. University Ave., Provo, Utah. **Underwriter**—Western Securities, Inc., Provo, Utah.

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. (1/28-31)
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.

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.

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. **Note**—This registration will be withdrawn.

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**—To be named.

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 East 40th St., N. Y. **Underwriter**—S. E. Securities, Inc., 10 East 40th Street, New York. **Note**—This registration will be withdrawn.

Workman Electronic Products, Inc.
Oct. 25, 1962 filed 140,000 common. **Price**—$3. **Business**—Manufacture, development and assembling of precise electronic replacement components for radio, TV and industrial use. **Proceeds**—For debt repayment, inventory, research, and other corporate purposes. **Office**—Packinghouse Rd., Sarasota, Fla. **Underwriter**—Hensberry & Co., St. Petersburg, Fla.

Zero Mountain Inc. (1/28-31)
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

★ **Commercial Investment Properties, Inc.**
Dec. 21, 1962 ("Reg. A") 150,000 common. **Price** — $2. **Business**—Real estate development and investment. **Proceeds**—For working capital. **Office**—530 St. Paul Place, Baltimore. **Underwriter**—None.

★ **Dallas Power & Light Co. (1/29)**
Jan. 2, 1963 filed $25,000,000 of first mortgage bonds due 1993. **Proceeds**—To redeem $20,000,000 of 5¼% bonds due 1989, repay advances from Texas Utilities Co., parent, finance construction, etc. **Office**—1506 Commerce St., Dallas. **Underwriters**—(Competitive) Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler-Equitable Securities Corp. (jointly); Eastman Dillon, Union Securities & Co.; Kidder, Peabody & Co., Inc.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); First Boston Corp.; Lehman Brothers. **Bids**—Jan. 29, 1963 (12 noon EST).

★ **First Arizona Security Corp.**
Dec. 21, 1962 ("Reg. A") 250,000 capital shares to be offered for subscription by stockholders of the First Security Bank, parent, on the basis of five new shares for each share held. **Price**—$1. **Business**—Company plans to purchase real estate and construct a building for the bank. **Proceeds**—For general corporate purposes. **Office**—222 E. Main St., Mesa, Ariz. **Underwriter**—None.

★ **Freoplex, Inc.**
Jan. 2, 1963 ("Reg. A") $200,000 of 7% convertible subordinated debentures due March 1, 1975. **Price**—At par. **Business**—Operation of retail meat supermarkets. **Proceeds**—For debt repayment and working capital. **Address**—Route 18, Tices Lane, East Brunswick, N. J. **Underwriter**—Alessandrini & Co., Inc., N. Y.

★ **Phi Epsilon Pi Fraternity, Inc.**
Dec. 27, 1962 ("Reg. A") $300,000 of 6% registered debentures due July 1, 1973. **Price**—At par. **Business**—A fraternal organization for college students. **Proceeds**—For general corporate purposes. **Office**—1515 Locust St., Philadelphia. **Underwriter**—None.

★ **Public Service Co. of Oklahoma (1/23)**
Dec. 31, 1962 filed $10,000,000 of first mortgage bonds due 1993. **Proceeds** — To refund outstanding 5% bonds, series H, due Feb. 1, 1990. **Office**—600 S. Main, Tulsa, Okla. **Underwriters** — (Competitive). Probable bidders: Glore, Forgan & Co.; White, Weld & Co.-Shields & Co. (jointly); Blyth & Co., Inc.; Equitable Securities Corp.-Eastman Dillon, Union Securities & Co. (jointly); Halsey, Stuart & Co., Inc. **Bids**—Expected Jan. 23 (11:30 a.m. EST).

★ **Ten-Tex, Inc.**
Dec. 31, 1962 ("Reg. A") 3,000 units each consisting of one 6½% 10-year debenture, 25 common shares and purchase warrants for 100 common shares to be offered for subscription by stockholders of Ten-Tex Corp., parent, of record Feb. 1, 1963 on the basis of one unit for each 150 common shares held. **Price**—$100. **Business**—Sale and lease of machinery for production of tufted textile products. **Proceeds** — For debt repayment and working capital. **Office**—3814 Tennessee Ave., Chattanooga, Tenn. **Underwriter**—Irving J. Rice & Co., Inc., St. Paul.

★ **Tilecase Corp.**
Dec. 31, 1962 ("Reg. A") 49,500 common. **Price** — $3. **Business** — Production of a special type terrazzo tiles. **Proceeds**—For equipment, sales promotion and working capital. **Address**—Rayamon, Puerto Rico. **Underwriter**—None.

★ **Time Finance Co., Inc.**
Dec. 21, 1962 ("Reg. A") $296,100 of 6½% junior subordinated convertible debentures to be offered for subscription by class A and class B stockholders on the basis of $100 debenture for each 24 shares held. **Price**—$100. **Business**—A consumer loan and finance company. **Proceeds** — For debt repayment and working capital. **Office**—3016 Greenmount Ave., Baltimore. **Underwriter**—None.

★ **Wesco Inns, Inc.**
Dec. 31, 1962 ("Reg. A") 150,000 common. **Price** — $2. **Business** — Company plans to own and operate motels. **Proceeds**—For construction of first unit at Fresno, Calif., and working capital. **Office**—36 N. Cleveland St., Memphis. **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."

Belock Instrument Corp.
$1,400,000 of 6% convertible subordinate debentures due 1975, series A, offered at par and accrued interest by Carl M. Loeb, Rhoades & Co., and Bear, Stearns & Co., New York.

Belock Instrument Corp.
7,524 units, each consisting of one $100 6% convertible subordinate debenture and 20 common shares, offered to stockholders at $200 per unit on the basis of one unit for each 130 shares held of record Jan. 8. Rights will expire Jan. 22. No underwriting is involved.

Columbia Gas System, Inc.
$25,000,000 of 4⅜% debentures due Jan. 1, 1988 offered at par and accrued interest by Morgan Stanley & Co. and The First Boston Corp., New York.

First Union Realty
880,000 shares of beneficial interest offered at $13 per share by Harriman Ripley & Co., Inc., New York and Hayden, Miller & Co., Cleveland.

General American Transportation Corp.
$35,000,000 of 4.30% equipment trust certificates due Jan. 15, 1983 offered at par and accrued interest by Kuhn, Loeb & Co. Inc., New York.

New York Telephone Co.
$70,000,000 of 4¼% refunding mortgage bonds, series N, due Jan. 1, 2000 offered at 100.75% and accrued interest by Halsey, Stuart & Co. Inc., New York.

Smith Kline & French Laboratories
200,000 common offered at $62 per share by Smith, Barney & Co., Inc., New York and Drexel & Co., Philadelphia.

Town and Country Associates
64½ limited partnership interests and $506,325 of 5% subordinated promissory notes due 1973 offered by the company in units, at $8,750, of one interest and $7,850 of notes. No underwriting was involved.

Prospective Offerings

Arkansas Power & Light Co. (2/20)
Jan. 2, 1963 it was reported that this subsidiary of Middle South Utilities, Inc., plans to sell $15,000,000 of first mortgage bonds in February. **Proceeds**—To refund outstanding 5⅝% first mortgage bonds due Dec. 1, 1989. **Address**—9th and Louisiana Sts., Little Rock, Ark. **Underwriters** — (Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Blyth & Co. Inc.-Dean Witter & Co. (jointly); Lehman Brothers-Stone & Webster Securities Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Eastman Dillon, Union Securities & Co.-Equitable Securities Corp. (jointly). **Bids**—Expected Feb. 20.

Bell Telephone Co. of Pennsylvania (2/5)
Dec. 3, 1962 it was reported that this A. T. & T., subsidiary plans to sell $50,000,000 of debentures in February. **Office**—1835 Arch St., Philadelphia. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; White, Weld & Co.-Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Expected Feb. 5, 1963 at 195 Broadway, New York.

Bethlehem Steel Co.
Dec. 3, 1962, Arthur B. Homer, Chairman, announced that the company will embark on a $750,000,000 capital improvements program to be completed over the next three years. He said that approximately two-thirds of the financing for the program will be generated internally and the balance secured externally. Mr. Homer added that this would not be required in the immediate future. **Office**—25 Broadway, New York. **Underwriters**—To be named. The last public sale of securities in May, 1955, was handled by Kuhn, Loeb & Co., and Smith, Barney & Co., New York.

Biologics International Inc.
Aug. 15, 1962 it was reported that this company plans to file a registration statement covering 125,000 common shares. **Price**—$3. **Business**—Company plans to breed and supply animals for biological research purposes. **Proceeds**—For general corporate purposes. **Office**—7520 Bergenline Ave., North Bergen, N. J. **Underwriter**—To be named.

Brooklyn Union Gas Co. (2/27)
Dec. 26, 1962 it was reported that the company plans to offer $12,000,000 of 25-year first mortgage bonds in February. **Office** — 195 Montague St., Brooklyn, N. Y. **Underwriters**—(Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Blyth & Co., Inc.-Eastman Dillon, Union Securities & Co.-F. S. Moseley & Co. (jointly); Harriman Ripley & Co., Inc.-First Boston Corp. (jointly). **Bids**—Expected Feb. 27.

California Electric Power Co.
Oct. 29, 1962 it was reported that this company plans to raise new money in the third or fourth quarter of 1963. A spokesman for the company stated that the utility is thinking of selling 380,000 common shares, although a final decision has not been made. **Office**—2885 Foothill Blvd., San Bernardino. **Underwriter** — Merrill Lynch, Pierce, Fenner & Smith Inc., New York.

Central Illinois Light Co. (3/11)
Jan. 2, 1963 it was reported that this utility plans to sell $9,375,000 of first mortgage bonds due 1993 in March. **Proceeds**—To refund a like amount of 3¼% bonds due April 1, 1963. **Office**—300 Liberty St., Peoria, Ill. **Underwriters** — (Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Kidder, Peabody & Co.; Eastman Dillon, Union Securities & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.-Stone & Webster Securities Corp. (jointly); Blyth & Co.-Lehman Brothers & Co.-Salomon Brothers & Hutzler (jointly). **Bids**—Expected March 11.

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).

Chicago, Burlington & Quincy RR (1/16)
Dec. 26, 1962 the company announced that it plans to sell $6,300,000 of equipment trust certificates in January. This will be the first of three or four installments totalling approximately $21,000,000. **Office** — 547 W. Jackson Blvd., Chicago. **Underwriters** — (Competitive.) Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co. Inc. **Bids**—Jan. 16 (12 noon CST) at above address.

Chicago Union Station Co.
Nov. 28, 1962 it was reported that this company will issue $48-$50 million of first mortgage bonds in May 1963. **Proceeds**—To refund outstanding 3⅛% and 2⅞% bonds maturing July 1, 1963. **Office**—210 S. Canal St., Chicago. **Underwriters** — (Competitive). Probable bidders: Kuhn, Loeb & Co.; Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.

Community Public Service Co.
Oct. 29, 1962 it was reported that this company plans to issue about $5,000,000 of first mortgage bonds in June 1963. **Office**—408 W. 7th St., Fort Worth, Tex. **Underwriters** — (Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler; Stone & Webster Securities Corp.

Connecticut Light & Power Co.
Dec. 10, 1962 it was reported that the company is considering the issuance of about $22,500,000 of bonds in 1963 or 1964. **Proceeds**—For construction. **Address**—Selden St., Berlin, Conn. **Underwriters**—To be named. The last public offering of bonds on Jan. 20, 1960 was handled by Morgan Stanley & Co.-Putnam & Co.-Chas. W. Scranton & Co.-Estabrook & Co. (jointly).

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);

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Lehman Brothers; First Boston Corp.; White, Weld & Co.-Shields & Co. (jointly); Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Eastern Freight Ways, Inc.
Oct. 9, 1962 the ICC authorized the company to issue 100,000 common. **Price**—By amendment (min. $5). **Business**—A motor vehicle common carrier operating in nine eastern states from Vermont to Virginia. **Proceeds**—For working capital, debt repayment and advances to subsidiaries. **Office** — Moonachie Ave., Carlstadt, N. J. **Underwriter**—Allen & Co., New York.

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. **Offering**—Indefinitely postponed.

General Aniline & Film Corp.
On Oct. 22, 1962, President Kennedy signed a bill authorizing the Government to sell its holdings of 540,894 class A and 2,050,000 class B shares, representing 98% of the voting control of the company. The stock, now held by the Attorney General, was seized in 1942 as a German asset. No date has been set for the offering which need not be registered with the SEC. Proceeds from the sale will be used to reimburse American citizens for losses of life and property during World War II. **Business**—Company is a leading domestic producer of dyestuffs, chemicals and photographic materials. **Office**—111 W. 50th St., New York. **Underwriters**—(Competitive). Probable bidders: Bache & Co.; Blyth & Co.-First Boston Corp. (jointly); Lehman Brothers-Kuhn, Loeb & Co.-Glore, Forgan & Co. (jointly).

Gulf States Utilities Co.
Oct. 5, 1962 it was reported that this company plans to sell $16,000,000 of first mortgage bonds due 1992. **Proceeds**—To retire a like amount of 5¼% bonds due 1989. **Office**—285 Liberty Ave., Beaumont, Tex. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler-Eastman Dillon, Union Securities & Co. (jointly); Stone & Webster Securities Corp.; Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.-White, Weld & Co. (jointly); Lehman Brothers. **Offering**—Temporarily postponed.

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.

Interstate Power Co.
Oct. 10, 1962 it was reported that the company plans to sell $8,000,000 of first mortgage bonds and $4,000,000 of common stock in late May, 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.

Iowa Public Service Co.
Nov. 5, 1962 it was reported that this company plans to sell $16,000,000 of bonds in the third quarter of 1963. **Address**—Orpheum-Electric Bldg., Sioux City, Iowa. **Underwriters**—(Competitive). Probable bidders: Kidder, Peabody & Co.-Blyth & Co. Inc. (jointly); Eastman Dillon, Union Securities & Co.; Equitable Securities Corp.; White, Weld & Co.; First Boston Corp.

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 in 1951 as a Japanese Government financial institution to supply long-term funds to Japanese industry for the promotion of economic reconstruction and industrial development. **Office**—Tokyo, Japan. **Underwriters** — First Boston Corp.; Dillon, Read & Co. Inc.; Smith, Barney & Co., Inc., N. Y.

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).

Laclede Gas Co. (2/6/63)
Nov. 1, 1963 the company announced plans to sell 200,000 shares of preferred stock (par $25). **Proceeds**—To repay bank loans. **Office**—1017 Olive Street, St. Louis. **Underwriters**—Lehman Brothers; Merrill Lynch, Pierce, Fenner & Smith Inc., New York, and Reinholdt & Gardner, St. Louis.

Laclede Gas Co. (2/6/63)
Nov. 1, 1962 the company announced plans to sell $10,000,000 of 20-year sinking fund debentures. **Proceeds**—To repay bank loans. **Office**—1017 Olive Street, St. Louis. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers; Merrill Lynch, Pierce, Fenner & Smith Inc.-Reinholdt & Gardner (jointly); Stone & Webster Securities Corp.; First Boston Corp.; Eastman Dillon, Union Securities & Co. **Bids**—Expected Feb. 6, 1963. **Information Meeting**—Jan. 31, 1963 (11 a.m.) at 16 Wall St., New York.

Laguna Niguel Corp.
Dec. 11, 1962, Gerald W. Blakeley, President, stated that the company is "seriously considering" the issuance of about $10,000,000 of debentures to redeem its 60-cent cumulative class A stock. Mr. Blakeley said class A dividends must be paid from after-tax earnings, meaning the company has to earn 12% of gross revenue, whereas interest on debentures is an expense item, so the company would have to earn only 6% to provide the same return. **Business**—Acquisition, development and management of real properties. **Office** — 32802 Pacific Coast Hwy., So., Laguna, Calif. **Underwriter**—To be named. The last financing for the company was handled by Paine, Webber, Jackson & Curtis, Boston.

Michigan Consolidated Gas Co.
On Oct. 24, 1962 it was reported that this company plans to sell about $22,000,000 of first mortgage bonds in the third quarter of 1963. **Proceeds**—For construction. **Office**—415 Clifford St., Detroit. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc.; White, Weld & Co.-Lehman Brothers (jointly).

Michigan Wisconsin Pipe Line Co.
Oct. 24, 1962 it was reported that this company plans to sell about $22,000,000 of first mortgage bonds in the third quarter of 1963. **Proceeds**—For construction. **Office**—500 Griswold St., Detroit. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co., Inc.

Mitsubishi Electric Mfg. Co.
Oct. 24, 1962 it was reported that the Japanese Finance Ministry had authorized the company to sell $10,000,000 of convertible bonds in the U. S. by March 31, 1963. It is expected that the bonds would mature in 15 years and bear interest of 6.5%. No decision has yet been made as to whether the issue will be sold publicly or privately. **Business**—Production of electric machinery. **Proceeds**—For expansion. **Office**—Tokyo, Japan. **Underwriter**—Kidder, Peabody & Co., New York.

Nippon Telegraph & Telephone Public Corp.
Dec. 19, 1962, it was reported that the company plans to sell $20,000,000 of bonds in the United States in the fiscal year April 1, 1963 to March 31, 1964. The financing program is subject to approval by the Japanese Diet. **Business** — Nippon Telegraph, wholly-owned by the Japanese Government, furnishes domestic telephone and telegraph services, without competition, in Japan. **Proceeds**—For expansion. **Office**—Tokyo, Japan. **Underwriters**—Dillon, Read & Co.; First Boston Corp., and Smith, Barney & Co., New York.

Norfolk & Western Ry. (3/25)
Dec. 26, 1962 it was reported that this road plans to sell about $5,475,000 of 1-15 year equipment trust certificates in March. **Office**—8 N. Jefferson St., Roanoke, Va. **Underwriters**—(Competitive.) Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co. Inc. **Bids** — Expected March 25.

Northern Illinois Gas Co.
Dec. 20, 1962 the company stated that it plans to spend $40,000,000 on construction in 1963, an undetermined amount of which will be raised by sale of bonds. **Office**—615 Eastern Ave., Bellwood, Ill. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; 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.

Northern Bell Telephone Co. (3/5)
Dec. 3, 1962 it was reported that this A. T. & T., subsidiary plans to sell $40,000,000 of debentures to mature not later than 40 years after date of issuance. **Office**—100 So. 19th St., Omaha, Neb. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; First Boston Corp.-Eastman Dillon, Union Securities & Co. **Bids**—Expected March 5, 1963 at 195 Broadway, New York.

● Oklahoma Gas & Electric Co. (3/12)
Jan. 8, 1963 it was reported that this company plans to sell $15,000,000 of first mortgage bonds due 1993. **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. **Bids**—March 12 (11 a.m. EST) at First National City Bank, 55 Wall St., New York.

Pacific Power & Light Co.
Nov. 28, 1962 it was reported that the company plans to issue $30,000,000 of first mortgage bonds in June 1963. **Proceeds**—To repay outstanding loans. **Office**—920 S. W. Sixth Ave., Portland, Ore. **Underwriters**—(Competitive). Probable bidders: Lehman Brothers-Bear, Stearns & Co.-Salomon Brothers & Hutzler (jointly); Halsey, Stuart & Co. Inc.; Blyth & Co.-White, Weld & Co. (jointly); Eastman Dillon, Union Securities & Co.-Kidder, Peabody & Co. (jointly).

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).

★ Potomac Electric Power Co. (2/19)
Jan. 8, 1963, it was reported that this utility plans to sell $50,000,000 of first mortgage bonds. **Office**—929 E St., N. W., Washington, D. C. **Underwriters**—(Competitive). Probable bidders: Dillon, Read & Co., Inc.-Lehman Brothers-Eastman Dillon, Union Securities & Co.-Stone & Webster Securities Corp.-Johnston, Lemon & Co. (jointly); Halsey, Stuart & Co. Inc.; First Boston Corp.; Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc.-White,Weld & Co.-Salomon Brothers & Hutzler (jointly). **Bids**—Feb. 19 (10 a.m. EST) at above address.

Seaboard Air Line RR (1/17)
Dec. 26, 1962 it was reported that this road plans to sell $6,360,000 of equipment trust certificates in January. This is the first installment of a total issue of $12,720,000 **Office**—3600 W. Broad St., Richmond, Va. **Underwriters**—(Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—Jan. 17 (12 noon EST) at office of Willkie, Farr, Gallagher, Walton & Fitzgibbon, One Chase Manhattan Plaza, N. Y.

Seaboard Air Line RR
Dec. 26, 1962 it was reported that this company plans to sell $6,360,000 of equipment trust certificates in late February. This will be the second installment of a total issue of $12,720,000. **Office**—3600 W. Broad St., Richmond, Va. **Underwriters** — (Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler.

Snelling & Snelling, Inc.
Nov. 20, 1962 it was announced that the company plans its first public offering of stock. **Business**—Operation of a nationwide network of franchised personnel consultants with offices at 35 major cities. **Proceeds**—For expansion. **Office**—1530 Chestnut St., Philadelphia. **Underwriter**—To be named.

Southern Counties Gas Co. of Calif.
Jan. 2, 1963 it was reported that this subsidiary of Pacific Lighting Corp., plans to sell $27,000,000 of first mortgage bonds in the fourth quarter. **Address**—P. O. Box 2736, Terminal Annex, Los Angeles 54, Calif. **Underwriters**—(Competitive) Probable bidders: White, Weld & Co.; Blyth & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Halsey, Stuart & Co. Inc.; First Boston Corp.

● Southern Pacific Co. (1/23)
Dec. 26, 1962 it was reported that this company plans to sell $8,400,000 of equipment trust certificates in January. **Office**—165 Broadway, New York. **Underwriters**—(Competitive.) Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co., Inc. **Bids**—Jan. 23 (12 noon EST) at above address.

Southern Railway Co.
Nov. 28, 1962 it was reported that stockholders are to vote Jan. 15 on authorizing the company to issue $50,000,000 of general mortgage bonds. **Proceeds**—To acquire stock of Central of Georgia Ry.; retire first mortgage 3¾% bonds of Atlanta & Charlotte Air Line RR.; reimburse the treasury for capital expenditures and provide for additional capital expenditures. **Offices**—14th and Canal St., Richmond, Va., and 70 Pine St., New York. **Underwriters** — (Competitive). Probable bidders: First Boston Corp.; Eastman Dillon, Union Securities & Co.-Salomon Brothers & Hutzler (jointly); Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.-White, Weld & Co. (jointly).

Southern Union Gas Co.
Aug. 15, 1962 it was reported that this utility plans a rights offering of $10,000,000 of convertible preferred stock in the first quarter of 1963. **Office**—1507 Pacific Ave., Dallas. **Underwriters** — To be named. The last rights offering of preferred stock in April 1959 was handled by Snow, Sweeny & Co., Inc., N. Y., and A. C. Allyn & Co., Chicago.

Southwestern Electric Power Co.
Nov. 5, 1962 it was reported that this company plans to sell $16,000,000 of first mortgage bonds in the fall of 1963. **Office**—428 Travis St., Shreveport, La. **Underwriters**—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-Eastman Dillon, Union Securities & Co. (jointly); Kuhn, Loeb & Co.-Blyth & Co. Inc.-Salomon Brothers & Hutzler (jointly); Halsey, Stuart & Co. Inc.

Southwestern Public Service Co.
Nov. 28, 1962 it was reported that the company plans to raise $14,000,000 by sale of first mortgage bonds in Feb. or March, 1963. **Proceeds**—For construction. **Office**—

720 Mercantile Dallas Bldg., Dallas. **Underwriter**—Dillon, Read & Co., Inc., New York.

Tennessee Valley Authority

Oct. 3, 1962, A. J. Wagner, Chairman, stated that the Authority plans to issue $50,000,000 of short- or long-term securities in the spring of 1963. **Proceeds**—For construction. **Office**—Knoxville, Tenn. **Underwriters**—To be named. On Jan. 24, 1962 the Authority sold at competitive bidding $45,000,000 of 4½% bonds due Feb. 1, 1987. The issue was won by a group jointly managed by Chase Manhattan Bank; Morgan Guaranty Trust Co. of New York; Chemical Bank New York Trust Co.; C. J. Devine & Co.; and the First National Bank of Chicago.

Texas Power & Light Co. (2/19)

Jan. 2, 1963 it was reported that this subsidiary of Texas Utilities Co., plans to sell $10,000,000 of first mortgage bonds due 1993. **Proceeds**—For construction. **Address**—Fidelity Union Life Bldg., Dallas. **Underwriters**—(Competitive). Probable bidders: Kuhn, Loeb & Co.-Blyth & Co., Inc.-Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc.(jointly); White, Weld & Co.; First Boston Corp.; Eastman Dillon, Union Securities & Co.-Salomon Brothers & Hutzler (jointly); Lehman Brothers; Halsey, Stuart & Co. Inc. **Bids**—Feb. 19 (11:30 a.m. EST) at Ebasco Services, Inc., 2 Rector St., New York. **Information Meeting**—Feb. 14 (11 a.m. EST) at same address.

Union Light, Heat & Power Co.

Nov. 21, 1962 it was reported that this subsidiary of Cincinnati Gas & Electric Co., plans to sell $5,000,000 of first mortgage bonds in 1963. **Office**—139 East Fourth St., Cincinnati. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co. Inc.-First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Kidder, Peabody & Co. (jointly); Equitable Securities Corp.; White, Weld & Co.; Kidder, Peabody & Co.

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.

American Business Needs Better SBIC Opportunities

Continued from page 12

and privately-operated investment companies was to obtain private judgment as to which small firms offer good profit prospects and which do not. In other words, the legislation was looked upon as a way to help small business help itself.

Unequal access to long-term loans and to equity capital has long been one of the major handicaps to small business and creation of the SBIC's should go a long way toward correcting this condition. Yet no serious student of the business system ever thought that unequal access to capital was the only major handicap to small business. Indeed, small business is faced with a whole complex of handicaps.

The great challenge now, both to the Federal government and to the business community, is to complete and perfect the trade and antitrust laws begun under Woodrow Wilson's New Freedoms. These laws must be completed and perfected if we are to allow the man who can build a mousetrap to build that mousetrap, and if we are to have success and failure in business determined by efficiency, rather than by a firm's financial resources and its ability to control markets.

Government Favors Purchases From Larger Firms

In addition, we must correct some inequalities which are new to our times. These are the inequalities in practices of the Federal government with respect to the tremendous volume of business transactions which the Federal government now makes with private concerns.

Let me mention only a few of the steps which clearly must be taken if we are to give small business something like a fair chance in the American business system.

We must improve the trade laws against coercive practices and unwarranted discriminations in business dealings. Today, very few small firms are completely free of coercion from big suppliers and big financiers. And thousands still fail each year for no other reason than they are caught in the squeeze of some discriminatory pricing practice.

We must have better procedures for enforcing the trade and antitrust laws. It should be possible to halt or suspend an illegal practice promptly, not just after a decade or so of litigation. Stopping an illegal trade practice after years of litigation—in the FTC or in the courts—does not bring back the small firms that have been destroyed by the illegal practice. Countless numbers of small business people have known the meaning of the truth that "Justice delayed is justice denied."

Even the newest and most nearly perfect antitrust law, the Celler-Kefauver Antimerger Act, is proving to be largely a failure through poor enforcement procedures. Over the past few years we have watched, for example, a few national chains buy up and merge independent dairy concerns all across the land. It is hard to imagine that efficiency is advanced by a nation-wide chain collecting the milk of the local farm, pasteurizing it, and delivering it to the local customers. Yet independent dairy firms are disappearing as though managing a local dairy route from a board room in New York or Chicago has some magic which local firms cannot possibly master.

Finally, long steps must be taken to make the new technology, particularly in the manufacturing an communications fields, more widely available. In the field of agriculture it has been the policy of the Federal government for more than 100 years to conduct the research and development work, and to make the new discoveries and the new techniques widely available to all farmers. This has attributed to our highly productive agriculture and has left the business of farming open to newcomers.

Today, the amount of funds which the Federal government grants to private industry for research and development exceeds the total cost of the farm program —including price supports, surplus storage and all the rest. Yet these funds are distributed among only a handful of big corporations. Furthermore, the money is handed out, for the most part, under terms which permit the corporation making patentable inventions at public expense, to acquire and control the patents. It is not difficult to forsee the day, under this policy, when only a handful of giant corporations will control all of the technology then in use.

These and other matters bearing on the competitive climate for small business are, I know of special concern to SBIC's. And I know they would wish me to treat them in a realistic way. If my tone has been grave, however, it does not imply pessimism. On the contrary, great progress in small-business legislation has been made in the distant past, it has been made in the recent past, and can, I think, be made in the near future. I urge you, therefore, to turn your attention to these matters, to see if we can't produce still a better climate for small business.

The record of the SBIC's, it seems to me, has been good, both in the immediate field for which they were created and in fields of wider interest to small business and of vital concern to all of us—vital to our way of life under a free—enterprise system.

There have been exceptional SBIC's, of course. There are perhaps 30 or 40 licensed for more than a year now that can point to only one or two investments in small business firms. This suggests that either these firms are not vigorously pursuing the kind of opportunities which the legislation envisioned, or there was an error in judgement in organizing these particular firms in the first place.

There is also an occasional complaint to Members of Congress that an SBIC is itself engaging in coercive practices, dictating which insurance broker, which lawyer or which accountant should serve some firm in which the SBIC has a loan or investment. Naturally SBIC's must guard against this kind of thing, because new and experimental as the legislation still is, it can be damaged by a few bad practices or a few bad reputations.

Liberalizing Amendments

Since passage of the Small Business Act of 1958 Congress has enacted several liberalizing amendments. Additional legislation introduced during the last Congress and scheduled for reintroduction in the next Congress will, if approved further liberalize conditions under which the SBIC's can operate. As long as the SBIC's are operating well and can show that substantial progress is being made in the financing of small firms, liberalizing legislation will, I know, receive favorable consideration in Congress.

On the other hand, one proposal being discussed—which is to increase the size of the firm in which an SBIC can invest to a level of above $5 million of assets, $2½ million of net worth, and $250 thousand of annual earnings—would be very difficult to justify in Congress—at least until the SBIC's have made a better record of financing smaller firms.

When it is noted that the number of business firms that have been supplied with capital by SBIC's totals less than 5,000, some Members of Congress will inevitably question whether SBIC's have more than scratched the surface of their present opportunities.

On the other hand, while changes in corporate taxes are under consideration I would like to see new consideration given to a proposal which was favorably regarded by many Members of Congress a few years ago, but never enacted. This was a proposal to interchange the normal corporate income tax rate with the corporate surtax rate, and perhaps also increase the surtax exemption. This proposal was generally associated with Senator Fulbright, Senator Sparkman, and others. As compared to the amount of revenue loss which would result from tax proposals being discussed these days the revenue loss involved in this proposal is very small indeed. But it would be extremely helpful to the smaller corporations, particularly those receiving less than $25,000 of income.

As for my part, I have complete faith in SBIC's mission and in their increasing success. In addition, I feel that they are to be warmly congratulated for both the spirit of public cooperation they have shown and the many steps they have taken to advance the small-business cause.

SBIC's have cooperated with the Congress, often at considerable personal expense, in providing information necessary to assess small business financing problems. I want to take this opportunity to thank them especially for the cooperation and assistance they gave the House Small Business Committee in making its recent survey of the SBIC's.

SBIC's Code of Ethics and Trade Practice Rules are evidence to all that they are aware of their deep responsibilities and are taking steps to meet them.

SBIC's have demonstrated by their program of seminars and other activities—both as individual SBIC's and as members of the National Association of Small Business Investment Companies—that they are actively seeking effective ways of creating better opportunities for small business. I hope that they will continue pushing in this direction, and with all vigor. By doing so SBIC's will not only help to create more profitable opportunities for themselves, but, by helping to create opportunities for all kinds of small businesses, they will help preserve independence and a diffusion of political power, and help maintain the economic laboratory where new ideas and innovations are developed and tested.

SBIC's will be doing a high public service to our Nation, and indeed to the whole Free World.

*From a talk by Rep. Patman before the National Association of Small Business Investment Companies, Washington, D. C., Dec. 3, 1962.

Smith Kline & French Labs. Stock Offered

A registered secondary offering of 200,000 outstanding common shares of Smith Kline & French Laboratories is being made to the public at $62 per share by a group managed by Smith, Barney & Co., Inc., New York, and Drexel & Co., Philadelphia.

The shares offered are being sold by The First Pennsylvania Banking & Trust Co. as trustee under a testamentary trust. After completion of the sale the trust will hold 415,600 common shares.

Smith Kline & French Laboratories is engaged primarily in the development, manufacture and sale of pharmaceutical specialties promoted "ethically" through activities directed primarily toward physicians and pharmacists. Its principal products are tranquilizers and central nervous system stimulants. A wholly owned subsidiary of the company recently entered the "proprietary" drug field in which promotion activities are directed toward the general public.

Consolidated sales for the nine month period ended Sept. 30, 1962, amounted to $135,329,000 compared to $118,953,000 in the similar period of 1961. The company has 14,641,504 common shares outstanding and no long- or short-term debt.

The company's principal manufacturing and research operations and executive offices are located in Philadelphia. In addition to other domestic facilities, subsidiaries of the company own drug manufacturing and warehousing facilities in Canada, Mexico, England, South Africa, Australia and several other foreign countries.

Chicago Analysts Announce Meetings

CHICAGO, Ill. — The Investment Analysts Society of Chicago has announced the following meetings scheduled through May. (Unless otherwise noted, all meetings will be held on Thursday at the Illinois Room of LaSalle Hotel.)

Jan. 10—Corn Products.
Jan. 24—Science Research Associates.
Feb. 7—Aerospace Industry—Mr. Hartman L. Butler (Midland Hotel — Ballroom).
Feb. 14—Montgomery Ward.
Feb. 28—Xerox Corporation.
Mar. 21—Ampex Corporation.
Apr. 4—Cummings Engine.
Apr. 25—Parke-Davis & Company.
May 23—Texas Instruments.

Indications of Current Business Activity

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

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON & STEEL INSTITUTE:					
Steel ingots and castings (net tons)	Jan. 5	1,879,000	1,715,000	1,858,000	2,294,000
Index of production based on average weekly production for 1957-1959	Jan. 5	100.9	92.1	99.7	123.1
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Dec. 28	7,361,760	7,340,110	7,313,460	7,359,060
Crude runs to stills—daily average (bbls.)	Dec. 28	8,741,000	8,436,000	8,479,000	8,429,000
Gasoline output (bbls.)	Dec. 28	31,701,000	30,606,000	30,733,000	30,732,000
Kerosene output (bbls.)	Dec. 28	3,729,000	3,713,000	3,375,000	3,266,000
Distillate fuel oil output (bbls.)	Dec. 28	14,960,000	13,940,000	13,793,000	14,722,000
Residual fuel oil output (bbls.)	Dec. 28	6,104,000	6,138,000	5,553,000	6,508,000
Stocks at refineries, bulk terminals, in transit, in pipe lines					
Finished gasoline (bbls.) at	Dec. 28	187,876,000	182,684,000	178,883,000	182,483,000
Kerosene (bbls.) at	Dec. 28	32,164,000	32,090,000	35,550,000	32,531,000
Distillate fuel oil (bbls.) at	Dec. 28	149,376,000	153,100,000	169,257,000	151,880,000
Residual fuel oil (bbls.) at	Dec. 28	50,660,000	50,893,000	51,772,000	45,745,000
Unfinished Oils (bbls.) at	Dec. 28	85,458,000	85,284,000	85,503,000	79,835,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Dec. 29	357,217	512,038	562,254	423,065
Revenue freight received from connections (no. of cars)	Dec. 29	405,436	476,443	471,119	412,841
CIVIL ENGINEERING PLANNING—ENGINEERING NEWS-RECORD—NEW SERIES:					
Total advance planning by ownership	Jan. 3	$156,800,000	$306,800,000	------	$288,000,000
Private	Jan. 3	61,400,000	90,300,000	------	156,100,000
Public	Jan. 3	95,400,000	216,500,000	------	131,900,000
State and Municipal	Jan. 3	95,400,000	213,400,000	------	126,000,000
Federal	Jan. 3	------	3,100,000	------	5,900,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Dec. 29	6,085,000	*9,185,000	8,895,000	6,730,000
Pennsylvania anthracite (tons)	Dec. 29	272,000	402,000	405,000	253,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1957-59 AVERAGE=100	Dec. 29	120	*271	168	90
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Jan. 5	16,874,000	16,435,000	17,005,000	16,021,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Jan. 3	241	143	294	231
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Dec. 28	6.196c	6.196c	6.196c	6.196c
Pig iron (per gross ton)	Dec. 28	$63.43	$63.43	$63.43	$66.44
Scrap steel (per gross ton)	Dec. 28	$26.50	$25.83	$25.50	$37.83
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Jan. 4	30.600c	30.600c	30.600c	30.600c
Export refinery at	Jan. 4	28.425c	28.475c	28.475c	27.925c
Lead (New York) at	Jan. 4	10.000c	10.000c	10.000c	10.250c
Lead (St. Louis) at	Jan. 4	9.800c	9.800c	9.800c	10.050c
‡Zinc (delivered) at	Jan. 4	12.000c	12.000c	12.000c	12.500c
Zinc (East St. Louis) at	Jan. 4	11.500c	11.500c	11.500c	12.000c
Aluminum (primary pig, 99.5%) at	Jan. 4	22.500c	22.500c	22.500c	24.000c
Straits tin (New York) at	Jan. 4	111.125c	111.000c	110.625c	120.750c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Jan. 8	90.29	89.95	89.85	86.48
Average corporate	Jan. 8	88.81	88.67	88.27	86.11
Aaa	Jan. 8	92.79	92.79	99.20	89.92
Aa	Jan. 8	90.63	90.63	90.34	88.13
A	Jan. 8	88.95	88.67	87.99	85.59
Baa	Jan. 8	83.28	83.15	83.15	81.05
Railroad Group	Jan. 8	85.72	85.72	84.94	83.28
Public Utilities Group	Jan. 8	90.48	90.34	89.92	87.18
Industrials Group	Jan. 8	90.34	90.20	90.34	87.72
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Jan. 8	3.69	3.73	3.74	4.07
Average corporate	Jan. 8	4.50	4.51	4.54	4.70
Aaa	Jan. 8	4.22	4.22	4.26	4.42
Aa	Jan. 8	4.37	4.37	4.39	4.55
A	Jan. 8	4.49	4.51	4.56	4.74
Baa	Jan. 8	4.92	4.93	4.93	5.10
Railroad Group	Jan. 8	4.73	4.73	4.79	4.92
Public Utilities Group	Jan. 8	4.38	4.39	4.42	4.62
Industrials Group	Jan. 8	4.39	4.40	4.39	4.58
MOODY'S COMMODITY INDEX	Jan. 8	369.0	369.7	369.3	377.6
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Dec. 29	313,358	286,610	344,456	291,340
Production (tons)	Dec. 29	265,486	350,697	324,169	241,356
Percentage of activity	Dec. 29	46	95	87	52
Unfilled orders (tons) at end of period	Dec. 29	413,806	361,907	452,005	444,764
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100	Jan. 4	123.95	123.46	118.83	115.57
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS					
Transactions of specialists in stocks in which registered—					
Total purchases	Dec. 14	2,619,560	3,493,300	3,379,250	3,454,650
Short sales	Dec. 14	515,430	653,900	768,100	514,510
Other sales	Dec. 14	1,940,180	2,677,820	2,599,530	2,633,230
Total sales	Dec. 14	2,455,610	3,331,720	3,367,630	3,147,740
Other transactions initiated off the floor—					
Total purchases	Dec. 14	397,680	622,040	835,910	537,820
Short sales	Dec. 14	43,250	68,600	100,520	61,300
Other sales	Dec. 14	400,750	541,380	673,850	467,890
Total sales	Dec. 14	444,000	609,980	774,370	529,190
Other transactions initiated on the floor—					
Total purchases	Dec. 14	874,485	1,175,540	1,300,570	1,103,419
Short sales	Dec. 14	130,300	178,700	223,600	126,610
Other sales	Dec. 14	866,230	1,194,894	1,070,219	1,986,345
Total sales	Dec. 14	996,530	1,373,594	1,293,819	2,112,955
Total round-lot transactions for account of members—					
Total purchases	Dec. 14	3,891,725	5,290,880	5,515,730	5,095,889
Short sales	Dec. 14	688,980	901,200	1,092,220	702,420
Other sales	Dec. 14	3,207,160	4,414,094	4,343,599	5,087,465
Total sales	Dec. 14	3,896,140	5,315,294	5,435,819	5,789,885
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION					
Odd-lot sales by dealers (customers' purchases)—†					
Number of shares	Dec. 14	1,242,682	1,582,008	1,614,777	2,182,048
Dollar value	Dec. 14	$59,847,835	$75,329,790	$72,450,606	$116,310,161
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—customers' total sales	Dec. 14	1,769,299	2,090,219	1,873,813	2,226,482
Customers' short sales	Dec. 14	16,237	22,640	41,217	9,737
Customers' other sales	Dec. 14	1,753,062	2,067,579	1,832,596	2,216,745
Dollar value	Dec. 14	$79,230,271	$95,667,969	$83,555,086	$110,190,295
Round-lot sales by dealers—					
Number of shares—Total sales	Dec. 14	777,980	845,920	684,880	722,710
Short sales	Dec. 14	------	------	------	------
Other sales	Dec. 14	777,980	845,920	684,880	722,710
Round-lot purchases by dealers—Number of shares	Dec. 14	231,190	352,090	418,450	712,390
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total round-lot sales—					
Short sales	Dec. 14	930,940	1,256,710	1,718,130	867,140
Other sales	Dec. 14	17,906,830	23,265,700	23,091,070	22,043,450
Total sales	Dec. 14	18,837,770	24,522,410	24,809,200	22,910,590
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR—(1957-59=100):					
Commodity Group—					
All commodities	Jan. 1	100.6	100.6	100.4	(a)
Farm products	Jan. 1	99.0	99.1	97.4	(a)
Processed foods	Jan. 1	100.8	100.7	100.7	(a)
Meats	Jan. 1	97.2	98.2	98.3	(a)
All commodities other than farm and foods	Jan. 1	100.7	100.7	100.7	(a)

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

	Latest Month	Previous Month	Year Ago
AMERICAN TRUCKING ASSOCIATION, INC.— Month of October:			
Intercity general freight transport by 355 carriers (in tons)	7,189,268	6,352,944	6,732,182
COKE (BUREAU OF MINES)—Month of Nov.:			
Production (net tons)	3,886,639	3,913,865	4,397,300
Oven coke (net tons)	3,823,002	3,852,335	4,322,300
Beehive coke (net tons)	63,637	61,530	75,000
Oven coke stocks at end of month (net tons)	4,018,044	4,131,283	4,023,698
COTTON GINNING (DEPT. OF COMMERCE):			
December 13, running bales	12,936,728	------	12,638,313
DEPARTMENT STORE SALES—FEDERAL RESERVE SYSTEM—1957-59 Average = 100— Month of December:			
Adjusted for seasonal variation	116	*118	113
Without seasonal adjustment	211	*141	204
DEPARTMENT STORE SALES SECOND FEDERAL RESERVE DISTRICT FEDERAL RESERVE BANK OF NEW YORK—1957-59 Average = 100—Month of November.			
Sales (average daily) unadjusted	152	120	146
Sales (average daily) seasonally adjusted	121	112	116
EDISON ELECTRIC INSTITUTE—			
Kilowatt-hour sales to ultimate consumers—Month of October (000's omitted)	64,712,955	66,715,117	61,124,805
Revenue from ultimate customers—Month of October	$1,084,567	$1,123,021	$1,028,525
Number of ultimate customers at Oct. 31	60,984,310	60,906,163	59,749,081
LIFE INSURANCE BENEFIT PAYMENTS TO POLICYHOLDERS — INSTITUTE OF LIFE INSURANCE—Month of October:			
Death benefits	$316,600,000	$300,400,000	$286,700,000
Matured endowments	63,400,000	50,500,000	62,300,000
Disability payments	13,400,000	11,000,000	11,600,000
Annuity payments	66,700,000	75,300,000	65,700,000
Surrender values	146,600,000	156,700,000	151,700,000
Policy dividends	169,800,000	160,700,000	145,100,000
Total	$776,500,000	$754,600,000	$723,100,000
METAL PRICES (E. & M. J. QUOTATIONS)— December:			
Copper—			
Domestic refinery (per pound)	30.600c	30.600c	30.600c
Export refinery (per pound)	28.466c	28.488c	28.072c
††London, prompt (per long ton)	£234,151	£234,125	£229,924
††Three months, London (per long ton)	£233.151	£233.767	£230.421
Lead—			
Common, New York (per pound)	10.000c	9.951c	10.250c
Common, East St. Louis (per pound)	9.800c	9.751c	10.050c
††London, prompt (per long ton)	£55.434	£54.313	£60,470
††Three months, London (per long ton)	£55.365	£54.281	£61.546
Zinc—			
East St. Louis (per pound)	11.500c	11.500c	11.975c
§§Prime Western, delivered (per pound)	12.000c	12.000c	12.475c
††London, prompt (per long ton)	£67.030	£68.440	£71.362
††London, three months (per long ton)	£67.714	£69.048	£72.434
Silver and Sterling Exchange—			
Silver, New York (per ounce)	119.875c	119.171c	103.325c
Silver, London (per ounce)	103.224d	102.239d	87.059d
Sterling Exchange (check)	$2.80333	$2.80190	$2.80964
Tin, New York Straits	110.688c	110.868c	121.013c
Gold (per ounce U. S. price)	$35.000	$35.000	$35.000
Quicksilver (per flask of 76 pounds)	$186.600	$190.400	$190.000
Antimony—			
¶New York, boxed (per pound)	36.250c	36.250c	36.250c
Laredo, bulk (per pound)	32.500c	32.500c	32.500c
Laredo, boxed (per pound)	33.000c	33.000c	33.000c
Platinum, refined (per pound)	$82.000	$82.000	$82.000
Cadmium (per pound, delivered ton lots)	$1.75000	$1.75000	$1.60000
(Per pound, small lots)	$1.80000	$1.80000	$1.70000
Cobalt, 97% grade (per pound)	$1.50000	$1.50000	$1.50000
Aluminum—			
99% grade ingot weighted average (per lb.)	22.500c	24.000c	24.000c
99% primary pig export	22.500c	22.500c	23.250c
**Nickel	79.000c	79.000c	81.250c
Bismuth (per pound)	$2.25	$2.25	$2.25
PRICES RECEIVED BY FARMERS — INDEX NUMBER — U. S. DEPT. OF AGRICULTURE — 1910-1914=100—As of Nov. 15:			
All farm products	245	245	239
Crops	227	226	224
Commercial vegetables, fresh	233	197	223
Cotton	268	275	280
Feed, grain and hay	147	152	149
Food grains	230	226	218
Fruit	228	243	207
Oil-bearing crops	244	238	248
Potatoes	144	139	134
Tobacco	520	519	540
Livestock	262	261	251
Dairy products	268	265	277
Meat animals	314	314	293
Poultry and eggs	151	150	140
Wool	252	249	228
TIN—CONSUMPTION OF PRIMARY AND SECONDARY TIN IN THE UNITED STATES BUREAU OF MINES—Month of October (in long tons):			
Stocks in beginning of period	30,620	31,020	32,200
Receipts	5,075	5,525	8,565
Supply	35,695	36,545	40,765
Stocks at end of period	29,435	30,620	33,760
Total processed	6,260	5,925	7,005
Intercompany scrap transactions	180	235	110
Consumed in manufacturing	6,080	5,690	6,895
Primary	4,150	3,910	4,335
Secondary	1,930	1,780	2,510

*Revised figure. ¶Domestic five tons or more but less than carload lots boxed. §§Delivered where freight from East St. Louis exceeds 0.5c. **Port Colburn, U. S. duty included. ††Average of daily mean and bid and ask quotations per long ton at morning session of London Metal Exchange.

Current News in the Field

These items are supplemental to similar notices appearing elsewhere in this issue

NEW FIRMS

BEVERLY HILLS, Calif.—**Allied Savings Center,** 9460 Wilshire Boulevard, Alfred N. Krupnick is sole proprietor.

COLORADO SPRINGS, Colo.—**Buo Corporation,** 415 North Tejon Street, is continuing the investment business of B. J. Leonard and Company.

HOUSTON, Texas — **Associates Petroleum Brokers, Inc.,** Bank of the Southwest Building. Officers are Paul F. Newton, President, and Charles F. Linton, Secretary.

INDIANAPOLIS, Ind. — **G. M. Investment Center, Inc.,** 320 North Meridian Street. Officers are M. Wesley Groshans, President and Secretary; and Bruce H. Mason, Executive Vice-President and Treasurer.

LANSING, Mich.—**Keith L. Fitzgerald & Associates,** Stoddard Building. Keith L. Fitzgerald is proprietor. The firm has also opened a branch in the Peoples Building, Grand Rapids under the direction of Foster Wilt.

LEMON GROVE, Calif. — **Gordon Keyes Mutual Fund Agency,** 1550 La Corta Street. Gordon F. Keyes is sole proprietor.

LEVITTOWN, N. Y. — **Marcus Planning Corporation,** 3000 Hempstead Turnpike. Officers are Martin Marcus, President, and Lillian Marcus, Secretary.

LOS ANGELES, Calif. — **Land West Financial,** 11988 San Vicente Building. Partners are Albert Hampton, Helen R. Cliff, and Conrad J. Fulton.

NEW ORLEANS, La. — **Howard Gruenberg & Co., Inc.,** 4140 State Street Drive. Officers are Howard Gruenberg, President; E. K. Gruenberg, Vice-President, and Donald A. Meyer, Secretary and Treasurer.

NEW ORLEANS, La.—**Lentz, McNamara & Co., Inc.,** National Bank of Commerce Building. Officers are Henry R. Lentz, Jr., President; Joseph M. Connolly, Vice-President; and Robert J. McNamara, Secretary and Treasurer.

NEW YORK CITY — **Daniel Pollock, Inc.,** 29 Broadway. Officers are Daniel Pollock, Chairman; Victor C. Burton, President; and Sidonia Pollock, Secretary and Treasurer.

NEW YORK CITY — **David D. Clark & Co., Inc.,** 40 Wall Street. Officers are David D. Clark, President and Treasurer, Samuel F. Pryor, Assistant Secretary; and Jean Urban, Secretary. Mr. Clark was formerly with Chas. W. Scranton & Co. and Hornblower & Weeks.

RED BLUFF, Calif.—**William T. Dalby,** Doane Way. Mr. Dalby was formerly with Mitchum, Jones & Templeton, Inc.

RENO, Nev. — **Mutual Investment Plans,** 475 South Arlington. Gordon G. Melcher is sole proprietor. He was formerly with George R. Wright & Co.

SAN FRANCISCO, Calif. — **S. E. Jonah & Co., Inc.,** 1 Bush Street, is continuing the investment business of Schaefer, Lowe & McCamant, Inc.

SYRACUSE, N. Y.—**Investors Advisory Service** has been formed as successor to the investment business of Patrick P. Sheridan, 700 East Water Street.

VAN NUYS, Calif. — **Assurance Investment Co.,** 14401 Sylvan St., has been formed as successor to Paul Miller Investment Broker.

WASHINGTON, D. C.—**National Pension & Group Consultants, Inc.,** Investment Building. Officers are August S. Carstens, President; George J. Volkommer, Vice-President and R. M. Carstens, Secretary and Treasurer.

WEST END, N. J.—**O'Brien, Sullivan & Company,** 6 West End Court. Officers are Robert E. O'Brien, President; John C. Giordano, Jr., Vice-President; and William H. Sullivan, Jr., Secretary and Treasurer. Mr. O'Brien was formerly with Merrill Lynch, Pierce, Fenner & Smith and Thomson & McKinnon.

NEW BRANCHES

BIRMINGHAM, Ala.—**Kohlmeyer & Co.,** 2018 First Avenue, North. Mark L. Jeter, Jr., formerly with Courts & Co., is manager.

CHATTANOOGA, Tenn.—**A. M. Kidder & Co., Inc.,** MacLellan Building. Coy R. Lander is manager.

CHEYENNE, Wyo. — **Bosworth, Sullivan & Company Incorporated,** 1710 Central Avenue. Harlan Steiner is manager.

CHICAGO, Ill. — **Apa, Incorporated,** 208 South La Salle Street. Raymond Plank is resident manager.

COLUMBIA, Mo. — **Stifel, Nicolaus & Company, Incorporated,** 2001 Country Club Drive. J. Scott Hemry is in charge.

ENDICOTT, N. Y.—**Lee Higginson Corporation,** 55 Washington Avenue. Lawrence C. Magennis has been named manager.

HUNTSVILLE, Ala.—**Kohlmeyer & Co.,** 106 West Clinton Avenue. A. Wilmot Dalferes, Jr., is manager.

LA JOLLA, Calif.—**Francis I. du Pont & Co.,** 7765 Girard Avenue. William P. Higgins is manager of the new office, with Erwin L. Sigler as associate manager.

NORFOLK, Va. — **Mutual Securities Corporation,** Southern Office Building. James Wheaton is in charge.

ST. PETERSBURG, Fla. — **Hayden, Stone & Co. Incorporated,** 601 First Avenue, North. J. Curtis Merkel is manager.

PERSONNEL

BOSTON, Mass—Richard T. MacDougal has been added to the staff of the **First Boston Corporation,** 75 Federal Street.

BOSTON, Mass.—Dean E. Fenton has become affiliated with **F. S. Moseley & Co.,** 50 Congress Street.

BOSTON, Mass. — Forrester A. Clark, Jr. has joined the staff of **H. C. Wainwright & Co.,** 60 State Street, members of the New York and Boston Stock Exchanges.

CHAPEL HILL, N. C.—Arthur C. Blue has become associated with **Clemens & Co., Inc.,** 157 East Franklin Building. He was formerly with Powell, Kistler & Co.

FAYETTEVILLE, N. C.—Martin I. Bellar and John J. McKee have joined the staff of **Powell, Kistler & Co.,** 110 Old Street, members of the New York Stock Exchange. Mr. McKee was formerly with Southeastern Securities Corporation.

GLEN COVE, N. Y.—Abraham Bernstein has joined the firm of **Edwards & Hanly** as a registered representative in the firm's Glen Cove office, 5 Glen Street.

Mr. Bernstein, who has a wide experience in the investment field, was previously with Hornblower & Weeks.

OMAHA, Neb.—Alfred H. Schuele Jr. is now connected with **Francis I. duPont & Co.,** 305 South 16th Street.

RIVERSIDE, Calif.—Jas. H. Jordan, Sr., formerly sole proprietor, is now President of **The James H. Jordon Company Inc.,** 3691 Main Street. Other officers are Edgar A. Meyer, Vice-President, and J. H. Ballard, Secretary and Treasurer.

Brearley V.-P. Of Wood, Gundy

Robert Brearley has been elected a vice-president of Wood, Gundy & Co., Inc., 40 Wall Street, New York City.

NSTA NOTES

HOUSTON SECURITY TRADERS ASSOCIATION

HOUSTON, Texas—Local brokers recently held an informal meeting at the Houston Club, to organize and elect officers for the Houston Security Traders Association, Incorporated.

The association's objective is to promote, encourage, and to further the high standards of ethics and just principles of business among the men engaged and interested in trading securities; also to promote and encourage good fellowship and a spirit of cooperation in connection therewith.

Newly elected Officers and Governors of the Association are as follows:

OFFICERS

President: George W. Gearner, First Southwest Company.

First Vice-President: John M. Bayne, Rotan Mosle & Company.

Second Vice-President: John M. Greer, McClung & Knickerbocker, Incorporated.

Secretary: Thomas C. Keis, Rauscher, Pierce & Company, Inc.

Treasurer: W. Roy Tucker, Rowles, Winston & Company.

Governors: Jack McAlister, Rotan, Mosle & Company; Gordon Crockett, Dempsey-Tegeler & Company; Lou Pollok, Eddleman, Pollok & Fosdick, Inc.; Charles B. White, Charles B. White & Company; Richard Neff, Underwood, Neuhaus & Company, Inc., and John Weatherston, A. G. Edwards & Sons.

Municipal Sales in 1963 to Exceed 1962 Record High

Halsey, Stuart & Co. analysis estimates 1962's record high in municipals sold failed to keep the total corporate and municipal bond total above 1961 level. Looking ahead, the well known Chicago investment firm doubts promised tax cut will appreciably lessen the value of tax-exemption for most investors nor have much of an effect upon bond prices. Moreover, it sees tax-exempt dealers facing greater competition from commercial banks for larger volume of new municipal financing; doubts much of a change in corporate bond volume; and expects a level bond price structure at least for the first part of 1963.

Tax-exempt bond offering volume reached record proportions in 1962, though total bond offering volume declined, Halsey, Stuart & Co. Inc. reported in its annual year-end bond market survey.

Tax-exempt bond volume in 1962 exceeded that of 1961 by about $100 million, while corporate volume was off an estimated $425 million.

Demand for both classes of bonds was "virtually constant" throughout the year, with pension funds the big buyers of corporate bonds and commercial banks the chief factor in the tax-exempt market. Prices remained "remarkably level" despite sharp fluctuations in other markets and greatly increased offering volume at times. And though the U. S. economy as a whole was marked by a "notable lack of vigor," there was no shortage of funds seeking investment, Halsey, Stuart said.

Corporate bond financing totaled $7.3 billion in the first 10 months of 1962, as against $7.8 billion in the first 10 months of 1961. Volume for the full year is estimated at $9 billion, or 4½% below the 1961 total. Tax-exempt bond volume, however, increased from about $8.4 billion in 1961 to $8.5 billion in 1962.

Outstanding among the year's corporate bond issues were the two big American Telephone and Telegraph Company issues totaling $550 million, followed by nine financings aggregating $465 million by members of the Telephone operating family. Largest of the tax-exempt offerings during the past 12 months was that of the Massachusetts Turnpike Authority, a single offering of $180 million.

The nation's money policy managers—Federal Reserve and Treasury officials—worked closely together in determining their credit policies and financing programs during the year. Federal Reserve policy since mid-1960, one of monetary ease, has been designed to maintain ready availability of credit as a business stimulant. At the same time upward influences have had to be applied on short-term interest rates to help in easing U. S. international balance of payments problems. Assisting the Federal Reserve in its efforts to increase credit availability this year were: (1) the lower-than-expected bank loan demand; (2) the increase in bank deposits following the December 1961 change in Regulation Q permitting higher interest rates on savings and time deposits; and (3) the reduction in legal reserve minimums which commercial banks are required to maintain against time deposits.

Treasury new money financing in 1962 was concentrated chiefly in the short-term sector, mainly 13- and 26-week bill offering additions of $100 or $200 million each. Long-term Treasury new money financings were held to three offerings aggregating about $4 billion, in January, April and July.

Halsey, Stuart said that a "feeling of optimism now appears to be developing which . . . seems to foretell a modest improvement in business in coming months." Corporate bond volume, lower in 1962 than 1961, is not likely to be much changed. Tax-exempt volume appears likely to grow and dealers in tax-exempt issues may see greater competition from commercial banks.

The proposed cut in Federal income taxes, likely to be pressed by the administration in the coming year, would not appreciably lessen the value of tax-exemption for most investors, the survey pointed out, nor would a tax cut have much effect on bond prices.

Short-term interest rates will continue to be influenced by our balance of payments problems—"problems which are aggravated by the fact that other countries are developing strong currencies and furnishing increased competition for the dollar."

Treasury financing to offset the "already substantial deficit which may be enlarged even further by tax cuts" is expected to occur largely in the second half, with the Treasury seizing every opportunity to finance its deficit in the long-term area. This threat of competition from Treasury financing may put pressure on long-term prices. "Nevertheless, the pool of funds available for investing keeps growing and, in the early months of the year at least, should continue to balance the bond supply, a factor tending to mantain a generally level bond price structure much like that of 1962."

Pennsylvania Authority Bonds Publicly Offered

Drexel & Co., Harriman Ripley & Co., Incorporated, The First Boston Corporation and Kidder, Peabody & Co. are joint managers of the group that offered publicly on Jan. 9 an issue of $19,000,000 Commonwealth of Pennsylvania State School Building Authority 4½, 3.70, 2.90, 3, 3.10, 3.20, 3¼, 3.30, 3.40 and 2% school lease revenue bonds series K, at prices to yield from 1.50% for those due Nov. 1, 1963 to 3.40% for the 1996 maturity. The 2% bonds due 1997-2002 are being offered at prices to yield 3.70%.

The group was awarded the issue at competitive sale on a bid of 98.004 for the combination of coupons, a net interest cost of 3.225%.

Investing Course To Be Offered at Hunter College

Two courses will be offered in the Adult Education Division of Hunter College, Park Avenue, on Tuesday evenings starting on Feb. 19. Open to all interested men and women, the courses will consist of a total of 15 sessions.

Louis H. Whitehead

Louis H. Whitehead, who will teach the courses, has been engaged in investment counselling in New York since 1936. He has taught at the New York Institute of Finance, Syracuse University, and has lectured for the American Institute of Banking. He is a partner of Nye and Whitehead, 44 Wall Street, New York City, investment advisers and members of the New York and American Stock Exchanges.

"Fundamentals of Successful Investing," is a basic course intended to meet the needs of inexperienced persons who expect to become investors. It will outline principles of investing, describe the types and appeals of various securities and mutual fund programs, and indicate important sources of investment information.

"What Investors Should Do Today," is a more advanced course for persons generally familiar with the investment field. It will help persons who already own securities and are interested in knowing how prudent individuals are meeting current developments in the business and financial world.

Applicants for either course may register by mail or in person at Hunter.

Taliaferro With Olmstead, Allen

LOS ANGELES, Calif.—George Taliaferro has been appointed Director, Research Department of Olmstead, Allen & Company, 210 West 7th Street, members of the Pacific Coast Stock Exchange. He will be responsible for all phases of research and security analysis for the firm.

Mr. Taliaferro formerly headed the research department of the West Coast Division of Shearson Hammill and the Southern Division of First California Company and started his career as an analyst for Hill Richards Company. A graduate of the University of California (Berkeley) with postgraduate work in Economics, he served as an economist for the U. S. Bureau of Labor Statistics before joining Firestone Tire & Rubber Co. He was instrumental in organizing a mutual fund and a small business investment company among other achievements.

The research department will issue weekly analyses and monthly summaries of securities activities.

TAX-EXEMPT BOND MARKET

Continued from page 6

Trust Co. of Chicago submitted the high bid, a 2.9948% net interest cost, for $4,500,000 Caddo Parish, Louisiana Parish Wide School District (Shreveport) serial (1964-1983) bonds. The second bid, a 3.02% net interest cost, was made by the Equitable Securities Corp. group and there were six other bids made for this issue.

Other major members of the winning syndicate include Bankers Trust Co., Kidder, Peabody & Co., Dean Witter & Co., Shields & Co., Wertheim & Co., First National Bank in Dallas, National Bank of Commerce, New Orleans, Barcus, Kindred & Co., Eddleman, Pollok & Fosdick, Inc. and Luce, Thompson & Crowe, Inc.

Scaled to yield from 1.75% to 3.15%, investor demand for this loan was excellent, with the present balance only $210,000.

Another of Tuesday's notable sales consisted of $2,000,000 Corpus Christi, Texas improvement (1964-1983) bonds. The bonds were awarded to the *First National City Bank* at a net interest cost bid of 3.0499%. The runner-up bid, a 3.06% net interest cost, came from the Continental Illinois National Bank and Trust Co. account.

Other members of the successful syndicate include Bankers Trust Co., First National Bank of Chicago, Reynolds & Co., W. H. Morton & Co., Inc., Johnston, Lemon & Co., Industrial National Bank of Rhode Island and Wells & Christensen, Inc.

Scaled to yield from 1.70% to 3.20%, bank demand was immediate and all of the bonds were sold during the order period and the account market closed.

Narrow Spread Featured Louisiana Sale

The group led by *Blyth & Co.* and including most of the local Louisiana dealers was the high bidder for $15,000,000 State of Louisiana Highway (1964-1988) bonds naming a net interest cost of 3.0835%. Second best bid offering a 3.0838% net interest cost came from the account headed jointly by First National Bank of Chicago and Continental Illinois National Bank & Trust Co.

Other major members of the successful group include Lehman Bros., Equitable Securities Corp., Merrill Lynch, Pierce, Fenner & Smith, Drexel & Co., Stone & Webster Securities Corp., Paine, Webber, Jackson & Curtis, John Nuveen & Co. and R. W. Pressprich & Co.

Scaled to yield from 1.70% to 3.20%, initial demand has been good with the present balance $7,360,000.

Early Demand for Pennsylvania Authority Issue

The group led by *Drexel & Co., Harriman Ripley & Co., Inc., First Boston Corp.* and *Kidder, Peabody & Co.* submitted the best bid, a 3.225% net interest cost, for $19,000,000 Pennsylvania State Public School Building Authority, School Lease revenue (1963-2002) bonds. The runner-up bid, a 3.24% net interest cost, came from Halsey, Stuart & Co., Inc. and associates.

Other major members of the successful group include Smith, Barney & Co., Blyth & Co., Lehman Brothers, Eastman Dillon, Union Securities & Co., Phelps, Fenn & Co., B. J. Van Ingen & Co., Inc., White, Weld & Co., Alex. Brown & Sons, Carl M. Loeb, Rhoades & Co., Lee Higginson Corp., F. S. Moseley & Co., Yarnall, Biddle & Co., Hemphill, Noyes & Co., Dominick & Dominick, W. E. Hutton & Co. and Reynolds & Co.

Scaled to yield from 1.50% in 1963 to 3.40% in 1996, first day orders have amounted to about $5,000,000. The 1997 to 2002 bonds bearing a 2% coupon are priced to yield 3.70%.

An issue of $29,500,000 Jacksonville, Florida Utilities Tax Revenue Refunding (1964-1993) bonds was purchased through negotiation by *Pierce, Carrison, Wulbern Inc., Smith, Barney & Co.* and *White, Weld & Co.* at a net interest cost of 3.5265%. These bonds are to be issued to refund outstanding Utilities Tax Revenue bonds of the city of Jacksonville, Florida, dated Jan. 1, 1958. The bonds are payable solely from and secured by a lien on and pledge of the Utilities Service Taxes levied and collected and from the net revenues derived from the Municipal Coliseum and Municipal Auditorium.

Scaled to yield from 2.00% to 3.50%, full reoffering scale and concessions are at present unavailable.

Treasury's Success Helps Toll Bond Market

In the bond market flurry that accompanied the successful flotation of the $250,000,000 Treasury bond flotation on Tuesday, the dollar quoted long-term toll road, toll bridge, public utility and other revenue issues participated for substantial gains. Our revenue bond Index showed that the 23-bond average was up close to one-half of a point. The yield Index went from 3.52% a week ago to 3.49% today.

Some of the dramatic gains are illustrated as follows: Chesapeake Bay Bridge and Tunnel 5¾s up 1¼ to 108⅝ bid; Chicago-O'Hare Airport 4¾s up one-half to 114 bid; Florida Turnpike 4¾s up one-half to 108¾ bid; Illinois Toll Highway 3¾s up one to 93¼ bid; Illinois Toll Highway 4¾s up one to 112½ bid; Indiana Toll Road 3½s up three-quarters to 90⅜ bid; Kansas Turnpike 3⅜s up five-eighths to 85⅞ bid; Mackinac Bridge 4s up one to 102 bid; Maine Turnpike 4s up 1¼ to 103 bid; West Virginia Turnpike 3¾s up one to 64 bid; Greater New Orleans Expressway 4s up 1½ to 102½ bid and Kentucky Turnpike 4.80s up 1½ to 110 bid. The recently floated Port of New York Authority 3⅜s due 1993 have been active at the issue price net (98¾). We contemplate further gains for most of the long-term revenue bond issues.

Washington Revenue Issue to Go Competitively

It has been announced today that the Washington Toll Bridge Authority plans to sell $37,250,000 Puget Sound Ferry and Hool Canal revenue bonds competitively on Feb. 7. This is one of the few large better yielding revenue issues scheduled for the near future.

LETTER TO THE EDITOR:

What Tax "Loopholes?"

Contributor assails incorrect usage of the term "tax loophole," confusion surrounding tax reform, and certain proposals to raise the tax on capital gains. Mr. Froehlich sees, for example, a blueprint for virtual confiscation of private wealth if the capital gains tax is extended to a decedent's assets. He asks what can be said of a government which would utilize currency depreciation, for which it is primarily responsible, to tax capital gain originating largely from price inflation and which the taxpayer had hoped to avoid legally by holding on to his investments. A true loophole, he adds, arises from the government's profiteering from "its own dereliction in failing to maintain the worth of its money."

Editor, Commercial and Financial Chronicle:

The emanations from Washington on proposed "Income Tax Reform" tend to create in a taxpayer a sense of fear, if not of serious alarm.

While the Administration talks about the need to *lower* existing tax rates, its tax specialists issue feelers which involve great tax *increases*, in such areas as taxing income from State and Municipal obligations; eliminating, or at least radically reducing, present deductions for depletion of natural resources; terminating the dividend credits; depriving the taxpayer of deductions for taxes and interest paid by him, etc. Now, whether these proposed changes do or do not spell "tax *reform*" is a matter of viewpoint. What is important to note is that the foregoing present limitations upon the taxing power are affirmatively spelled out by statute, are based upon, and grounded in, reason, justice, common sense, and simple fairness, and represent the *true intent* of the Congress, arrived at after long deliberation. Yet they are being assailed as "loopholes" which, ought to be "closed." They are not "loopholes" in any sense of the word. A "loophole" is a devious means of *evading the true intent of the law*. To attack *a compliance with the expressed legislative intent* by charging that such compliance constitutes *an evasion* of such intent is a blow below the belt, delivered even before the starting bell has been sounded.

Let the Administration openly seek to change existing laws, if it wishes; but let it not proceed under the false innuendo that those who comply with the true intent of existing laws are somehow devious or feloniously clever in their methods.

Now even more "sophisticated" so-called Reforms are being proposed: such as modifying the treatment of "capital gains" by imposing upon them the full regular income tax rates. Indeed, the latest emanation from Washington is that *a tax at capital gains rates will be sought upon every decedent's assets* based on the appreciated value thereof at the date of his death as compared to their cost to him.

When Capital Gains Are Not Appreciation

The real purpose of this article is to alert the reader to the potentialities for injustice in this proposal; not because a decedent's estate is already heavily taxed under the Federal Estate Tax law, but because of our depreciated and depreciating currency.

Any tax on capital gains, to constitute a fair or just tax, should be related to and measured by a unit of value which is constant. A dollar which has or may become so impaired as to command only a fraction of its erstwhile purchasing power cannot serve as an honest standard of measurement of true value. Thus a supposed appreciation of a taxpayer's property may be, in fact, no true appreciation at all, or may even be an actual loss.

It is axiomatic that any nation which permits its monetary unit of value to become impaired and depreciated is guilty of an immoral act, since all of the activities of its citizens are thereby subjected to dislocation, hardship, and irreparable loss. It creates a deplorable situation at all times, even when it is an unavoidable one, for which government may be excused. But what can be said of a government that would seek deliberately to utilize that very currency depreciation, for which it is, after all, primarily responsible, to gouge from the already overburdened citizen, upon his death, taxes on a pretended capital gain, which is a gain only because measured in the depreciated unit of value, and may in fact be actually a capital loss? This would be a *true loophole*, since it would permit the government to take unfair advantage of, and indeed profit from, its own dereliction in failing to maintain the worth of its money.

Inflation Harms Taxpayer Elsewhere

It should not be forgotten that inflation has already operated adversely to the taxpayer outside the area of capital gains, since, in multiplying the number of income dollars he must report, it places him progressively in a higher and higher bracket, thereby constantly increasing his tax and lowering the true value of what remains to him.

Thus far, capital gains taxes have been avoidable by the simple expedient of the taxpayer's holding on to his investments. Is the proposal that such a tax be levied upon his death a Tax Reform? Or is it a blueprint for virtual confiscation of private wealth?

EDMUND W. FROEHLICH
284 Delta Road
Highland Park, Illinois.

Institute of Investment Banking To Be Held March 10-15

WASHINGTON, D. C.—The 1963 session of the Institute of Investment Banking is scheduled for the week of March 10-15 on the University of Pennsylvania Campus, Philadelphia according to Amyas Ames, Partner, Kidder, Peabody & Co., New York, and President of Investment Bankers Association of America.

Sponsored by the Association in cooperation with the Wharton School of Finance and Commerce, the annual Institute offers a three-year executive development program for officers, partners, and other experienced personnel of IBA member organizations.

Through expanded facilities and a revised program format inaugurated in 1962, a substantially larger enrollment is permitted than in earlier years when it was often impossible to confirm more than one "freshman" registrant per member. This year it is reasonable to expect members will be able to enroll at least two and probably several more registrants in the first-year class.

The aim of the overall program is to develop leadership ability and to foster efficiency in all phases of Investment banking operations, according to H. Lawrence Parker, Partner, Morgan Stanley & Co., New York, and Chairman of the IBA Institute Planning Committee. It is invaluable for those who are being prepared for positions of greater responsibility.

The Institute is designed for those who have been in the securities business for five or more years. However, application may be made for those who have had four years of experience or who are over 30 years of age. Seasoned personnel find the Institute an excellent "postgraduate" program to prepare them for further advancement.

Each Spring registrants from all parts of the U. S. and Canada assemble for a week of classes in economics and investment banking related subjects. Three separate curricula are offered concurrently by the Institute—first, second, and third year programs. Significant topics include:

First Year Program

Current Economic Problems and Policies—I, II, and III.

Money Market—Introduction.

Municipal Finance—Functions; Elements of Credit Analysis; Outlook.

Securities Salesmanship — Securities Regulation and the Salesman.

Research in the Capital Markets.

Modern Techniques in Securities Analysis.

Training, Public Relations and Promotion.

Making and Maintaining Over-the-Counter Markets.

Prospecting — Effective Individual Procedures.

New Forces and Trends in the Securities Markets.

Investment Implications of Long-run Economic Changes.

Second Year Program

Institutional Investment Practices — Commercial and Savings Banks; Trust Companies; Insurance Companies; Investment Companies; Pension Funds.

Money Market — The Federal Reserve; Interest Rates.

Underwriting and Syndicating—Municipal and Corporate.

Technical Approach to the Stock Market.

The Corporate Bond Market.

Marketing Municipal Bonds—Underwriting and Syndicating; Proxy Procedures; Secondary Market Practices; Functions of the Municipal Bond Broker.

Current Regulatory Problems—Self Regulation.

The Specialist Function.

Third Year Program

Federal Government and Finance — The Budget; Taxation; Debt Management.

Application of Economic Analysis—I and II.

Financial Planning for the Individual.

Portfolio Management for the Individual.

Advertising Effectively for the Securities Business.

Current Developments in Municipal Finance — Impact of Federal Programs on Municipal Finance; Municipal Bonds as Investments; Financing Toll and Transportation Facilities; Price Structure of the Municipal Bond Market.

Sales Management.

Management Planning in Wall Street Today.

Case Study in Administration.

Joint Sessions For All Three Classes

Outlook for the Securities Markets.

The Over-the-Counter Market—Readjustment and Revaluation.

Mutual Funds Today — All Aspects.

Chemical Industry.

Communications and the Telstar Project.

The Investment Banking Industry—A Wharton Research Study.

Current Labor Problems.

The International Economic and Political Scene.

Federal Regulatory Problems and Developments.

The Economic Outlook.

Investment banking leaders and specialists from business, government and academic circles participate as speakers and discussion leaders during the week. Registrants benefit not only through class discussion sessions, but also through meeting others from all sections of the country and exchanging views with them.

During their attendance at the Institute, registrants are accommodated at the Sheraton Motor Inn and attend classes in Dietrich Hall, home of the Wharton School, and, for the first time, in the auditorium of the new Annenberg School of Communications building. Registrants completing the three-year program receive a Certificate of Merit in recognition of their specialized training for the investment banking business.

Each year the Institute has grown in popularity. Since the first session in 1953 approximately 1,250 persons have enrolled for the program. Last year overall registrations reached an all-time high of 343 and the first-year class enrollment also set a record with 186 registrants as against 113 in 1961.

Official application forms are mailed only to the main offices of IBA member organizations. Branch office personnel should apply through the main office of their company. Applications and the registration fee of $240 for each applicant should reach the IBA Washington office by Monday, Feb. 11. Additional information on the 1963 program can be obtained from Erwin W. Boehmler, Educational Director, Investment Bankers Association of America, 425 Thirteenth St., N.W., Washington 4, D. C.

Leo Quist With Francis I. duPont

MINNEAPOLIS, Minn.—Leo L. Quist has joined Francis I. duPont & Co. as manager of the Municipal Bond department, it is announced by Harry G. Edelstein, Manager of the firm's Minneapolis office at 6th Street and Marquette Avenue.

Leo L. Quist

Mr. Quist has long been a prominent member of the financial community, particularly in the highly specialized bond field, servicing banks, insurance companies and institutional investors.

He was formerly president of Harold E. Wood & Co., investment dealers in St. Paul, where he had been for the past 22 years. Last October, Wood & Co. was absorbed by Cruttenden, Podesta & Miller, which in turn was absorbed by Walston & Co. as of Dec. 31, 1962.

Butler Joins Robt. Winthrop

William J. Butler, Jr., on Jan. 1, 1963 became associated with Robert Winthrop & Company, 20 Exchange Place, New York City. Mr. Butler, who is broadly experienced in financial management with F. S. Moseley & Co. and most recently with McDonnell & Co., Inc., will be responsible for business development for Robert Winthrop & Company.

Robert Winthrop & Company, founded in 1871, is a member of the New York Stock Exchange. Through its affiliate, de Vegh & Company, Inc., it is active as an investment adviser to a number of large private and institutional portfolios.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL

WASHINGTON, D. C.—There is accelerated activity in our Nation's Capital as the new Congress organizes and President Kennedy prepares to send a series of important messages and documents to Capitol Hill.

As the President starts the second half of his term, it is apparent he will have his eye on the Presidential election in 1964. For all practical purposes he will be running for re-election from now on. In all likelihood he will be a powerful candidate.

The Administration is going to have billions of dollars to spend. The Chief Executive will send to Congress a Federal budget that will approach the $100 billion mark. New spending in all probability will amount to from $4 billion to $6 billion.

While our country has its problems, like other major powers, we also start out with some powerful plus marks. Our military power is tremendous. There is nothing in all the world's history to compare with it.

This power is intended for only one purpose from a military standpoint, and that is to deter aggression by the Communists. We are not out to conquer any new territory.

Reports at the Pentagon indicate that our defense spending for the 1964 fiscal year will be even higher than the 1962 fiscal year, and the current year ending June 30. Our Army is going to be kept at 16 divisions, including eight divisions overseas. The Navy will be pretty much the same as it has been for the past year or so.

The Marine Corps, our most disciplined branch of the Armed Services, was ready for hard-hitting action in the Cuban crisis, and it will be kept in readiness for any future "Cubas" that may arise. The Marine Corps is a military must in our overall military strength.

The cancellation of the Skybolt project was a blow to the United States Air Force. Nevertheless, the Air Force is going to expand because of the land-based ballistic missiles, and the mighty Minuteman in particular.

The year ahead promises far more emphasis on the military angles of space activity. Most of it has been under the civilian National Aeronautics and Space Administration, as it apparently should be, but the military possibilities will be given greater exploration the coming year.

Pay Raises for Military Personnel

One reason the budget will be somewhat larger for the 1964 fiscal year is the proposal to raise the pay of all the services, including the retired personnel. Congress will devote a great deal of attention to the pay increase proposal. Some military higher-ups maintain that private industry is attracting too many qualified military people because of better pay.

A space budget of about $5 billion for the next fiscal year is being forecast in Congressional circles. This sum compares with the current 1963 fiscal year non-military space program of some $3.8 billion.

Cuba Today

Unquestionably the State Department will have to face up to some foreign crisis in 1963. We are bound to have one or more as the world grows smaller. What is the situation in Cuba?

Although Russia still has some 10,000 troops in Cuba, there is nothing immediately ahead to indicate we face a crisis there that would approach what we faced last October. The facts are clear now that the Soviets were a bit humiliated by what happened, and that the Communist movement in Cuba and in some other Latin American areas got a setback.

Although Cuba has refused to permit observation of the military resources of the country, this does not prevent the United States from continuing its policy of continuous aerial surveys.

Our Department of State, which will seek more appropriations from Congress this year, will watch with keen interest the reported coolness between the Communists in Moscow and the Chinese Communists. There are some who believe that the differences between the Soviets and the Peking regime will be patched up before many months have elapsed.

The Communist activities in the African countries will be watched. There are numerous potentials of Communist intervention in several of the newly organized countries, which are weak and lack strong leadership.

Fight—Over House Rules Committee

As the 88th Congress convened, the most immediate problem facing the House of Representatives was whether or not there would be another bitter fight over the House Rules Committee.

Two years ago, after a bitter knock-down fight led by the late Speaker Sam Rayburn, the House by a thin five-vote margin, voted to increase the House Rules Committee from 12 to 15 members. The proponents of the 15 members called it "enlargement" of the Committee, while the opponents described it as "stacking" or "packing" the Committee.

The Rules Committee controls the flow of bills to the floor for consideration. President Kennedy wants the committee increased to 15 members again this session, with the hope that the new committee will be given the green light to all major Administration measures like tax reforms, medicare, and tax reduction.

There will be increased debate over the proposed tax cut by the Administration for the months ahead. Because there has been so much discussion about it already, most people seemingly have failed to realize that on New Year's Day our Social Security tax bill in this country—employee and employer together—went up about $2 billion for 1963.

Social Security taxes are already pinching hard and the end is not in sight. The new tax raises the maximum from $150 a year to $174 on the employee and a similar amount on the employer.

Some other Federal taxes are being increased through changes in regulations. Of course, State and local taxes are increasing all the time in most states.

Restrained Optimism on Business Outlook

Washington fiscal experts predict that total increased spending of all governments in 1963 will go up from $8 billion to $10 billion. The Federal increase will be up by about $5 billion.

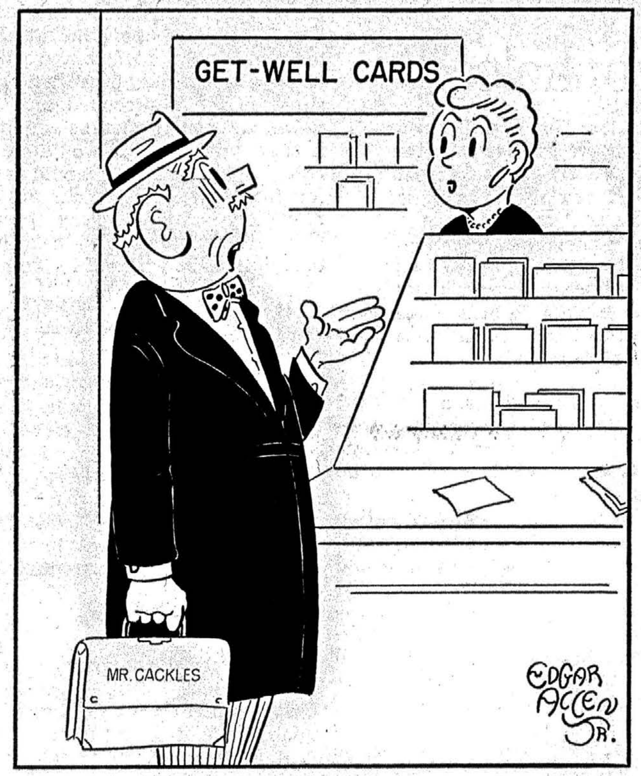
As it was pointed out here recently, there is restrained optimism in Washington about the economic outlook in 1963. The Gross National Product is expected by government economists to continue to rise during the year, but not at a rate that they believe it should increase.

Nevertheless, the Sec. of Commerce continues to emphasize that our economy is basically sound. With a Federal tax cut, he and other officials of the Administration believe that the economy will have more zip to it.

Things that could hurt the economy are continuous prolonged labor strikes in some areas, a further decline in employment, and a drop in housing starts.

Another highly interesting year lies ahead for the Nation's Capital. What is done here will be watched with keen interest from Havana, Moscow, Peking, London, and from Kankakee to Kansas.

[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.]



"He's not sick now but he will be when I tell him what happened to his stock."

COMING EVENTS

IN INVESTMENT FIELD

Jan. 18, 1963 (Baltimore, Md.) Baltimore Security Traders Association 28th Annual Midwinter Dinner at the Southern Hotel.

Jan. 21, 1963 (Chicago, Ill.) Security Traders Association of Chicago annual winter dinner at the Drake Hotel.

CHRONICLE's Special Pictorial Section Feb. 7.

Jan. 24, 1963 (Kansas City, Mo.) Kansas City Security Traders Association Mid-Winter Party on the Roof Garden of the Hotel Continental.

Jan. 28-29, 1963 (Houston, Tex.) Association of Stock Exchange Firms Winter Meeting of the Board of Governors at the Sheraton-Lincoln Hotel.

March 10-15, 1963 (Philadelphia, Pa.) Institute of Investment Banking at the University of Pennsylvania—sponsored by the Investment Bankers Association and the Wharton School of Finance and Commerce.

March 29, 1963 (New York City) New York Security Dealers Association 37th Annual Dinner at the Waldorf-Astoria Hotel.

April 3-4-5, 1963 (Dallas, Tex.) Texas Group Investment Bankers Association Convention at the Statler Hilton Hotel.

CHRONICLE's Special Pictorial Section April 25.

April 17-21, 1963 (Syracuse, N. Y.) American Bar Association Regional Meeting.

May 6-7, 1963 (Richmond, Va.) Association of Stock Exchange Firms Spring Meeting of the Board of Governors at the John Marshall Hotel.

May 8-11, 1963 (White Sulphur Springs, W. Va.) Investment Bankers Association Board of Governors Meeting at the Greenbrier.

May 12-15, 1963 (Chicago, Ill.) Financial Analysts Federation annual convention at the Palmer House.

May 13-15, 1963 (Washington, D. C.) National Association of Mutual Savings Banks 43rd annual conference at the Sheraton Park Hotel.

June 19-21, 1963 (Chicago, Ill.) Investment Bankers Association Municipal Conference at the Pick-Congress Hotel.

CHRONICLE's Special Pictorial Section July 11.

Sept. 22-26, 1963 (Colorado Springs, Colo.) National Security Traders Association Annual Convention at the Broadmoor Hotel.

CHRONICLE's Special Pictorial Supplement Oct. 17.

Sept. 11-13, 1963 (Pebble Beach, Calif.) Investment Bankers Association Board of Governors Meeting at the Del Monte Lodge.

Dec. 1-6, 1963 (Hollywood Beach, Fla.) Investment Bankers Association of America Annual Convention at the Hollywood Beach Hotel.