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EDITORIAL

As We See It

Some weeks ago we took occasion to comment upon some of the Alice-in-Wonderland thinking that seems to inspire a good deal of the economic management—or should we say the attempted economic management—of the Washington Administration. In more recent weeks the Administration has increased its pressure upon Congress for early enactment of its program of business stimulation. In the later utterances of the President, it has become increasingly clear that the Chief Executive is more interested in tax reduction than tax reform, indeed that his central notion is that of balancing the budget (at some indefinite time in the future) by unbalancing the economy. Of course, he and his advisers would say that what they are trying to do is not to unbalance the economy but to balance it in the thought that a balanced economy will more or less automatically balance the budget in the course of time, but this idea of balancing the economy by turning it upside down is a little fantastic to say the least.

Meanwhile, the Chairman of the President's Council of Economic Advisers has made another attempt to explain what the plans of the Administration could be expected to do for us. And the staff economists of the Joint Committee of Congress on the Economic Report of the President have come forward with some explanations and certain statistical analyses of two mysterious terms now constantly bandied about by New Dealish economists—and, we are sorry to say, by a good many others—in discussing ways and means of managing the economic activities of the people, managing or directing it, that is, from Washington by the politicians. Two terms rarely omitted from such discussions are the "multiplier" and the "accelerator." These two fac- (Continued on page 28)

Canada—Continued Progress Featured by Exchange Stability

By Dr. Ira U. Cobleigh, *Economist*

Highlights of the Canadian economy as revealed in the results for 1962, together with an assortment of business projections for this year, predicated on the continuance of the forces which occasioned last year's forward motion. Plus a long list of Canadian corporate enterprises which have paid cash dividends uninterruptedly for up to 134 years.

Quite unmindful of the vigorous disagreements among highly placed political leaders in Canada, as to the desirability of accepting nuclear aid from the United States, the Canadian economy moved majestically along in 1962 to many new all-time highs. Gross National Product reached a new peak 8% above 1961; employment attained record levels; personal income exceeded 1961 by over 9%; and production of steel, cement, iron ore, wood pulp, asbestos, oil, natural gas, motor cars and trucks expanded to levels never before attained in the history of the Dominion. With such splendid achievements in 1962, it has been a little difficult for outsiders to comprehend how Prime Minister Diefenbaker, the official shepherd of these material boons, should find it necessary to again submit his credentials to the electorate. The vote will be taken on April 8.

Politics aside, there is no gainsaying the fact that solid accomplishments attended Canada's economic trend during the past year. The stabilization of the dollar at 92½ cents in American funds arrested a capital outflow, and restored confidence at home and abroad. A liberal credit policy, including doubling the loaning power of the Industrial Development Bank, stimulated small and new businesses, and expanded export trade. Tax incentives and tax reductions to corporations increased gross business and profit margins. The national policies for oil and for agriculture were quite successful in defining and implementing desired goals in these areas.

Oil and Gas

Oil production for 1962 was on target, and at the end of 1963 is projected to reach 800,000 B/D. The only cloud here is the substantial falling off of oil discovery in Western Canada. With the exception of the Athabasca tars, perhaps years away from actual volume production, no new fields have been found for several years. The gas end of the business has been moving along swimmingly thanks, in part, to stepped-up deliveries to pipelines serving Northern United States. Canadian natural gas producers increased their sales 40% in 1962, and look forward to a further gain of around 16% for 1963. Oil (Continued on page 18)

Canadian Investment Opportunities Issue

The Security I Like Best . . .

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

This Week's Forum Participants and Their Selections

John Sexton & Co. — William E. Deegan, Vice-President, The First Columbus Corp., Columbus, Ohio. (Page 2)

Transcontinental Bus System—R. R. Rowles, President, Rowles, Winston & Co., Houston, Texas. (Page 2)

WILLIAM E. DEEGAN

Vice-President, The First Columbus Corporation, Columbus, Ohio

John Sexton and Co.

The wide fluctuations in stock market prices during the last 12 months have made many investors conscious of a company's earnings, current dividends and future outlook before major investment decisions are made. This investor has been searching for securities that offer a combination of value and quality. I believe that John Sexton and Co., common stock, offers many of the desired investment objectives.

John Sexton and Co. is a nationwide distributor of a broad line of quality food and related products, selling almost entirely to the "institutional trade" consisting of restaurants, hotels, schools, clubs, colleges, industrial plants, hospitals, and other purveyors of prepared food services. Through 10 distribution centers, which stock from around 1,500 to 2,500 separate items, Sexton serves over 50,000 customers located throughout the continental United States, in the West Indies and Hawaii. Nearly all of the items in the company's line are marketed under its own brands and labels and the trade name "Sexton Quality Foods."

John Sexton started the business in Chicago in 1883, and the company was incorporated in the state of Illinois in 1887. Various branches in major United States cities were added from the 1940's through the present, thereby enlarging the company's scope.

The company prepares or processes and packages almost 400 separate food items, including soups, dessert powders, various meat products, jellies, pickles, salad dressings, vinegars and meat sauces; blends and packages tea; grinds and packages spices; and blends, roasts, grinds, and packages coffee. These items account for around 25% of total sales. Canned fruits and vegetables and other food items processed and packaged by others under the company's labels account for approximately 65% of total sales. The remaining 10% of dollar sales volume is represented by non-food items.

The Sexton market, primarily institutional sales, has been an outstanding sector of the food industry. The company estimates that of every dollar the average American spends for food and beverages, approximately 22c is spent away from home in "institutional" establishments. More people are "eating out," expenditures for meals outside the home have increased by some 40% since 1951. Increased travel boosts food consumption in roadside, resort, and hotel restaurants. Packaged and prepared items offer the advantage of holding down labor costs in commercial and institutional feeding establishments.

Sexton's sales have increased 11-fold in the last 20 years using from about $6 million to over $66 million with only one addition of capital ($481,000) in 1960. Both sales and net income for the fiscal year ended June 30, 1962 were the highest in the 79-year history of the company. Net income, in the recent fiscal year, totaled $1,420,520 or $1.90 per share based on the 747,437 shares outstanding, and compares favorably with the $1.82 per share earned in fiscal 1961. Cash dividends have been paid for 27 consecutive years. The current annual dividend is $0.90 per share, payable quarterly.

As exhibited in the company's balance sheet on June 30, 1962, the company was in excellent financial condition. Current assets of $15,602,969 were 3.47 times current liabilities of $4,502,555. Cash and U. S. Government Securities totaled more than $2.3 million, and shareholders' equity stood at an all-time high of $13,106,627. By way of comparison, shareholders' equity 10 years ago amounted to $5,789,000. Net income after Federal income taxes in fiscal 1962 of $1,420,520 represents earnings of 11½% on the company's equity on June 30, 1961. Equity per share amounted to $17.54 at the close of the most recent fiscal year.

I believe that the food industry is a growth industry, primarily because of our ever-expanding population; and that it is an industry with above-average stability, due to the necessity of its products, and recommend the inclusion of selected investments within the industry in all portfolios desiring capital appreciation.

I consider John Sexton and Co., with its past record of well-defined growth in both sales and earnings, to be a sound value presently selling at around $21 a share in the Over-the-Counter Market (a conservative 11 times last year's earnings) and recommend purchase of the common stock for long-term capital appreciation as well as a liberal 4¼% cash return at the present time.

R. R. ROWLES

President, Rowles, Winston & Co., Houston, Texas

Transcontinental Bus System

Transcontinental Bus System, better known as Continental Trailways, is our nation's second largest bus operator. They operate in 33 states with five transcontinental routes. The company has been built through the acquisition of local lines. Several major markets have not yet been penetrated, including Florida, New England and the Canadian Border states. Moving into these new regions, as management is hopeful of doing, should add to revenues and profits.

After a crippling strike in 1958, revenues and profits have risen at such a rate that the company has not only become sound financially, but has raised its dividend rate three times in the last 18 months. It now pays $1 to yield 3.8%. Earnings in 1962 were $1.81 versus $1.53 in 1961, with cash flow for 1962 at a high of $4.42 per share. These figures compare favorably with the Greyhound Corporation.

Transcontinental's revenues have jumped to $56,551,120 in 1962, from only $27,841,291 in 1958. Passenger revenues account for about 75% of the total. Another fast growing and profitable business is the charter of buses and package express. The increase in package express revenues has helped the company to reduce its operating ratio from 102.9% in 1958 to 88.49% in 1962. This business requires little additional overhead to handle and accounts for 12% of the company's revenues. It is also the fastest growing, being up 19% in 1962. Charter bus revenue accounts for 9% of the business, and contracts with the U. S. Post Office provide the balance of total revenue. Transcontinental Bus employs around 4,300 people.

Public dependency on inter-city bus travel is shown by the increased revenues of Transcontinental Bus and Greyhound.

There are 40,000 communities in the United States of America that have no public passenger transportation other than buses. There is now a continued decrease in railway passenger service. With this decrease in railroad service, comes a strong increase in bus business.

Inter-city bus travel represents 26% of all travel. There are two large operators and 900 much smaller bus organizations. Figures for 1962 indicate an 8% increase in bus passenger miles over the nation.

Transcontinental Bus is subject to regulations in their inter-state operations by the I. C. C. under the Motor Carrier Act of 1935, now part of the Interstate Commerce Act. They are also subject to regulations by the states in which they operate. In the last few years rate increases obtained have resulted in an overall average fare per passenger mile of about 2.58 cents during 1961 compared with 2.54 cents in 1959. The 10% Federal Excise tax has recently been eliminated resulting in lower cost to the passenger without changing the basic rate to the company.

In 1957, the company introduced its highly successful Silver Eagle and Golden Eagle buses. About 75% of the company's service is now handled by these buses. The company owns 1,375 buses of which a substantial amount are of the modern type with air conditioning and other comfort features. The 50 Golden Eagles have a snack bar, lounge area and hostess service. The company has contracted for delivery of more Silver Eagle buses making about 440 in service by June of 1963.

These new buses are depreciated over an eight year period on the "sum-of-the-digits" accounting method, which is used for Federal tax purposes and in reports to shareholders. This depreciation of the new heavy equipment has resulted in the heavy cash flow of $4.42 per share.

Part of management's success can be attributed to a program of upgrading passenger terminals.

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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.)

Why the Consumer Industry Stocks Should Be Favored

By Michael F. Sassi, *Member of Economics Faculty of the American Institute of Banking, New York City*

The author of this article is an economics educator as well as a member of the investment department of a large New York City bank. He expresses a strong investment preference for the non-durable goods and services sector of the economy based on the supposition that sales in this area are bound to keep pace with realistic disposable income and population growth projections. Mr. Sassi favors leading firms to form the nucleus of a well-rounded equity portfolio. He notes, for example, their built-in edge over smaller firms flowing from inherent economies of large-scale advertising, superior return on invested capital, and more efficient marketing and financing facilities. Reviews names and briefly describes representative leading firms and an accompanying table quantifies their performance. The author stresses the importance of selection skill and judgment coupled with the reminder that there is no compromise with quality. Author favors only autos among consumer durables.

The stock market in the past two years has greeted the popular belief in an investment philosophy based on "growth" with unrestrained contempt. The optimistic haze surrounding the dreams of "growth" has been burned away in the bright sunlight of mathematical realism. However, the abrupt termination of countless aspirations witnessed in recent months will render the investment public incalculable good, if the one salient factor of its economic life is remembered—this is, has been, and will continue to be a viable, robust, *growing* economy! An examination of economic progress during the past 5, 10, 50 or 150 years will confirm the fact of historical growth and a clear eyed, dispassionate appraisal of economic realities will confirm the judgment of a continuation of this record in the future. The investing public simply misapplied its growth orientation to the wrong areas.

Michael F. Sassi

The careful investor can safely act on the postulation that the intelligent utilization of the economic resources at his disposal will enable him to participate effectively in the bounty of a constantly expanding economy. To sterilize permanently a disproportionate amount of his investment capital in the form of highly liquid assets, such as time deposits or senior securities, is to dissipate a large portion of his economic potential. (To say nothing of the ravages caused by the diminishing purchasing power emanating from large and increasing Federal budget deficits and other manifestations of fiscal irresponsibility.)

The primary responsibility facing the careful investor is to locate the areas of economic endeavor which are growing, not only most rapidly, but also with the greatest degree of consistency. He must emphasize not only the quantity, but also the *quality* of projected growth.

One area of the economy which in recent years has demonstrated both a gratifying consistency of growth and an imperviousness to cyclical dislocations, is that of Disposable Personal Income. Happily, this is one of the few manifestations of economic terminology which means exactly what it says — it is the mathamatical measurement of the income remaining in the hands of consumers after all income taxes and other deductions are removed. It is the aggregate of the amount which the collective American consumer can dispose of as he sees fit. As a corollary to the fact of the consistent growth of Disposable Personal Income, it should be noted that the wage earner's share of the National Income is growing faster than the return to capitalists, i. e., rent, interest, and dividends.*

This distinction is important when it is realized that the consumer has only two alternatives pertaining to the disposition of his income—he can spend it or save it; and wage earners have a higher propensity to spend than the recipients of rent, interest and dividends. That is, wage earners spend their incomes more rapidly and with greater regularity!

Once the investor accepts the basic premise of the consistency of the growth of Disposable Personal Income as the primary investment factor of this economy, he must logically conclude that those areas of the economy catering to the satisfaction of consumer wants afford him prime invest-

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*NOTE: In the period 1929 to 1961 wages and salaries increased 553%, proprietors' income 323%, rental income of persons 228%, and dividends 259%.† FRB 10/62 p. 1356.

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CANADIAN INVESTMENT OPPORTUNITIES

Article starting on the cover page, "Canada: Continued Progress Featured by Exchange Stability," discusses the investment opportunities inherent in Canadian securities and, by way of documenting the views presented, includes a tabulation of the Canadian banks and companies which have paid consecutive cash dividends from 10 to 134 years (Table I, page 18) and from 5 to 10 years (Table II, page 24), along with other data of interest to investors.

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OBSERVATIONS...

BY A. WILFRED MAY

"SAVERS" AND SAVERS

The behavior of the community in the buying and holding of mutual funds in 1963's generally reduced speculative atmosphere creates some doubts concerning the maintenance of an *investment* attitude by these institutions' clientele.

During the first two months of the year while the stock market was becalmed with a mere 1½% advance, from a level some 11% or so (80 points in the Dow Jones Industrial Average) below the all-time peaks of the previous year, the public's purchases of Fund shares fell to $400.5 million from $633.2 million in the equivalent period last year. Moreover, this sales decline was accompanied by a rise in *redemptions* to $231.3 million from $183.4 million in 1962's higher and more active market.

Other savers have been acting quite differently. Gross sales of Savings Bonds during this February at $425 million showed a gain of 17% over February, 1962 and were the highest February total since 1960.

Savings Bondholders' greater predilection for long-term investing during this relatively favorable interval was likewise shown through their Redemption behavior. Their cash-ins at $353 million marked the lowest February level in eight years. And this despite the secular growth in the outstanding pool of redeemable bonds.

Whatever may be the significance of the mutual fund buyer's anti-long-term investment attitude, the conclusion that he needs greater *education* along these lines is undeniable.

* * *

A statement issued at the time of this writing (Wednesday) by Dorsey Richardson, President of the Investment Company Institute, pledging the trade's cooperation in implementing the SEC's just-issued Special Study, warrants assurance that the industry and the SEC can constructively work together in furthering such education.

Customers' debit balances, a major measure of outstanding market credit, are—at $4.3 billion—now reported at an all-time high. This trend may be reflecting the reduction in margin requirements to 50% prescribed last July and/or the "de-bootleggingization" of Non-Purpose loans. Valuable light will be shed on this area by the major study of market credit now being conducted by the SEC in collaboration with the Reserve Board.

THE UN-APPRAISABLE ART MARKET

Last week's Sellin-Saxe sale of *Moderns*—paintings, drawings, and sculptures—at Parke-Bernet, New York's leading auction gallery, strikingly demonstrated the divergence of sales results, both upward and downward, from the advance valuations. (This was another of the Gallery's glamor shows, with the auctioning carried by closed circuit TV to two overflow rooms.)

Such divergence, as has been cited in this space, has been previously evidenced in the Berwind sale (whose proceeds far exceeded the estimates) in June, 1962; the Bass sale (with deflated price) of last October; the Lilly book sale (with sharply inflated results) of last November; and in the Lewis, et. al., sale of *Moderns* (whose total receipts hit the overall estimate target) of last December.

The Tax Impact

Last week's drastic invalidation, based on the auction's proceeds, of the advance estimates of market value, as set by the Gallery's top experts, is particularly significant now in indicating the difficulties confronting the Collector of Internal Revenue's pending program of scientifically tightening up on donors' valuations for tax deductibility.

While no less than 85 of the works in this latest major sale were sold at less than their bottom estimates, with the total proceeds falling $179,000 short of an anticipated $667,000, based on the minimum of each estimated range; 19 others *exceeded* such estimates, of which nine topped the highs of the appraisal range.

Among the latter "plus" results were works by Arp, Picasso (who was also represented on the down side), Redon, Andre Lhote (with proceeds 90% over the maximum estimate), Vlaminck, Derain, Buffet Chirico, Madrassi and Tamayo (with a 30% "average").

The Down Side of the Medal

Contributing to the overall shortfall of proceeds *below* the expert total estimates were these "deficiteers" below the lowest estimates: Chagall (by 30%), Pissaro (37%), Dufy (25%), Picasso (reversing his above-cited excess with a 10% deficit); and a Modigliani which against a $50,000-$55,000 estimate brought only $27,500.

The gross over-estimate on the Modigliani is significant in showing the fallacy of attaching major weight to a past sale price—which was done in this instance.

Surely an appraisal of *value* remains highly "fluid"—legally and commercially.

FROM OUR MAIL-BOX

Pleasure First

Dear Mr. May:

I have been reading with great interest your recent articles citing the fallacy of buying art with investment or other materialistic purposes.

I agree with you that the only sensible way to buy pictures is the way Chester Dale [the recently deceased collector, patron and benefactor of the National Gallery, the Metropolitan Museum of New York, etc.] bought them—for enjoyment by himself and by other people.

JOHN WALKER

Director,
National Gallery of Art,
Washington, D. C.

FROM WASHINGTON ... Ahead of the News

BY CARLISLE BARGERON

Members of Congress occasionally take polls of their constituents in an effort to find out which way the wind is blowing. Congressmen Frelinghuysen, a Republican of New Jersey, has just taken one in his district. It is a strong Republican district. Mr. Frelinghuysen is serving his sixth term. Roughly 55% of the voters are registered as Republicans, 10% Democratic, and 35% independent. The result is quite revealing. It is not likely to unswerve the Democrats but it ought to perk up the Republicans, and undoubtedly the conservativ Democrats will be influenced by it.

The poll was sent to 100,000 persons and 18,000 answered.

First among the subjects on which the voters were polled was a tax cut. A large majority favored reduction geared to a reduction of ependitures. Only 11% favored a cut without an accompanying reduction of expenditures. Six per cent made no comment on the subject of tax reduction—presumably against a tax cut.

Next on the list was the query about medicare—medical care for the aged, financed through an increase in social security taxes. Fifty-eight per cent replied they were against attaching the cost of medicare to the social security taxes, 35% favored the Kennedy plan and 7% had no opinion.

Several questions related to Federal aid to education. Forty-nine per cent voted for Federal aid for the construction of buildings for the public primary and secondary schools; 43% opposed such aid and 8% had no opinion. Twelve per cent favored such aid for the construction of private school buildings (including parochial schools) and 75% opposed, with 13% no opinion. There was divided opinion about aid for colleges—42% favoring such aid, 46% opposing and 12% no opinion. On the question of Federal aid for the payment of school teachers' salaries, only 22% of those polled favored it, 72% opposed and 6% had no opinion. A considerable majority favored scholarships for higher education and 70% favored legislation providing tax credits for parents paying college tuition, as proposed by some members of Congress.

The voters turned their backs on Federal aid for commuter railroads, 47 to 39% with 14% not answering. Creation of a new department of urban affairs in the Federal Government also received a cold shoulder, 58% against, 22% for and 20% no answer. Fifty per cent voted against creation of a domestic peace corps, 35% for it and 15% no opinion. Forty-two per cent favored increased pay for military personnel, 37% opposed it with 21% not voting. Increased pay for members of Congress took a shellacking—62% against such increase, 17% favoring it and 21% not answering.

Here is one that the Supreme Court may listen to. Seventy-nine per cent favored optional, non-denominational religious activities in public schools—prayers, Bible reading, etc., 14% were opposed and 7% had no opinion.

Mr. Frelinghuysen asked the voters how they felt about Mr. Kennedy's record on foreign and domestic affairs. On his record on domestic affairs, 18% voted good, 44% fair, 38% poor, and 4% failed to answer. On his foreign affairs record, 24% thought it good, 41% fair, 31% poor; no response 4%.

Of those responding to the poll, 63% were registered Republicans, 5% Democrats and 32% independents.

Hiestand V.-P. Of Reynolds, Inc.

PHILADELPHIA, Pa. — Reynolds & Co., Inc. announce the election of Harry K. Hiestand as a Vice-President of the company, located in their Philadelphia office, 1526 Chestnut Street. Mr. Hiestand was formerly Manager of the Syndicate and Bond Departments in Philadelphia.

Harry K. Hiestand

Mr. Hiestand has been associated with Reynolds & Co., Inc. for the past ten years with the exception of a four year tour of duty with the U. S. Navy.

He is a past President of the Investment Association of Philadelphia. He is a member of the Philadelphia Securities Association, the Bond Club of Philadelphia and the Municipal Bond Club of Philadelphia.

Jack Joins Staff Of McDonald Co.

CLEVELAND, OHIO—Donald M. Jack, Jr., has become associated with the Sales Department of McDonald & Company, Union Commerce Building, members of the New York and Midwest Stock Exchanges and Associate Members of the American Stock Exchange. Mr. Jack had previously been associated with Manufacturers Hanover Trust Co., New York, and with the Chicago office of Eastman Dillon, Union Securities & Co.

Feins V. P. of Scheinman, Hochstin

Martin S. Feins has become a vice-president of Scheinman, Hochstin & Trotta, Incorporated, 111 Broadway, New York City, members of the New York Stock Exchange.

Lehman Brothers To Admit Partner

Effective April 11, Edward Gudeman will be admitted to partnership in Lehman Brothers, 1 William St., New York City, members of the New York Stock Exchange.

Kennametal, Inc.—Converter Of Metal Into Money

By Dr. Ira U. Cobleigh, *Economist*

Describing a company producing hard, heat-resistant metals for industry, and exotic ones for the space age.

We used to live in a simple world where ordinary metals—iron, copper, lead, zinc, silver and gold were all that we needed. Today, however, the world of metals is far more sophisticated and complicated. We must have metallic elements and alloys that are very hard, resist friction and high temperatures, are extra durable, and can be adapted to highly specialized electronic applications. So now we hear much about less common elements such as tungsten, tantalum, titanium, columbium and niobium.

Since incorporation in 1943, Kennametal Inc. has addressed itself, with great success, to the development and production of unusual metals and is today the recognized leader in its special field of cemented hard carbides.

Products

For years tungsten has been regarded as one of the most desirable and useful metals, but government support for, and stockpiling of, tungsten, at artificially high prices, prevented its broad application to many uses wherein it could outperform steel. In 1957 government stockpiling of tungsten ended, and prices fell so that today, tungsten costs about 75% less than in 1957; and vast new markets have opened up for tungsten carbides in which Kennametal, Inc., has long pioneered. Cemented hard carbides (mainly tungsten) are the strongest heat-resistant commercial materials now available. For tools in the metal working and mining industries, and for wear-resistant parts, Kennametal's compositions provide exceptional properties—high density, hardness, strength and resistance to heat, pressure, bending, friction and corrosion. A Kennametal cutting tool can last, in some instances, 100 times longer than a steel tool.

Newer applications on the horizon for tungsten carbides include crushing and grinding machiner vessels that would withstand pressures far above the tolerance of steel cylinders, enduring above 1,500,000 pounds per square inch, in certain carbon transformations.

Newer alloys, produced by Kennametal, include niobium and tantalum in purities up to 99.9%; and a new tungsten alloy "Kennertium," 50% denser than lead, used as ballast and counterweights in high rotating parts, calling for maximum weight in minimum space—as in projectiles and missiles.

Kennametal's tantalum anodes are essential in the performance of capacitors in certain missiles, and can be adapted for use in computers and control equipment. Kennametal is also used militarily to make armor-piercing projectile cores. Kentanium (titanium based carbides) can stand very high temperatures and is used for spinning tools for hot metals, and in nuclear reactor equipment.

Growth Rate

But enough of this catalog of exotic metals. Nobody, except scientists or engineers, really knows or understands them; and investors are far more interested in how much money, rather than what, a company makes, in any event. As an expander of earning power, Kennametal Inc. has performed well.

The perfection by Kennametal, Inc. of carbides that would successfully cut steel, led to a rapid growth in company sales, beginning in the 1940's. Sales, which totaled $3½ million in 1946, reached $22 million in 1952. Then sales plateaued for several years, due partly to the cyclical nature of the business, substantial nonrecurring business and the close of the company's tungsten mine in 1957. Since 1961 a dynamic uptrend has resumed. Sales were $22.6 million for (fiscal) 1961, and advanced 31% to $29.6 million for 1962. They are expected to reach a new all-time high of around $33 million for the fiscal year ending June 30, 1963.

Profitability

A lot of companies show impressive gains in sales, but have to give their shareholders a lot of double talk to account for meager distillations of gross into net. That's not the situation with Kennametal, Inc. Here's a company with one eye on scientific advance and product excellence, and the other eye on the cash register. For the 10 year period, 1953-1962, the average of net income after taxes, as a percentage of sales was 7.6%. For fiscal 1962, net earnings advanced 58%, and amounted to $1.77 per share on the common, as against $1.12 the year earlier. For the six months period ended Dec. 31, 1962, indicated net earnings were about $1.05 a share, and a net per share figure of around $2.15 is anticipated for the full year.

Plant Expansion

Within the past 12 years the company has expanded from two plants (1949), to a 12 plant operation today. Two plants are devoted to processing raw ore into refined tungsten to meet exacting specifications; and the others variously to machine shop operations, sintering and grinding, refining of metals; production of alloys, and of metal working and mining tools. Over $5.2 million has been spent in the last three years on plant and equipment. Kennametal Overseas (Panama) handles European and South African sales, and has 51% interest in a sintering plant in Milan, Italy, and in a Peruvian manufacturer of drill bits. Kennametal, Inc. also owns 44% of Kennametal Ltd. in Great Britain.

Research

This company was built on research and now spends about 3% of sales annually on it. This research stresses improvement of products and manufacturing processes, development of new products and new uses for old ones.

Management

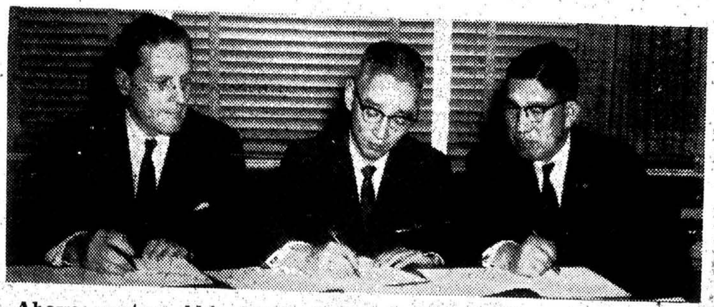
Management, headed by Mr. Philip M. McKenna, President and Founder, is composed of a relatively young research and executive team. Directors include Mr. Andrew Gahagan, President of Beryllium Corp., and Mr. Felix E. Wormser, well known consulting engineer, a former vice-president of St. Joseph Lead Company, and Assistant Secretary of Interior in the Eisenhower Administration.

Financial Data

Financial position is excellent, with a 3.2 to 1 current ratio at the 1962 fiscal year end. Cash flow from depreciation is about $1.1 million annually. Common stock, outstanding in the amount of 1,216,902 shares, is preceded in the capitalization only by a long term 5% bank loan of $1,700,000. The common is held by over 2,000 stockholders, and trades OTC currently at around 25½. This is about 12 times indicated 1963 per share net, and appears to be a conservative appraisal for a stock with such dominant growth characteristics. Dividend is 80 cents; and there was a 2-for-1 split last October.

Kennametal, Inc. common is the kind of stock that fits well into the space age, and into investment portfolios, partial to technologically attractive securities.

Signing Agreements on Offering of Sony Corp. Amer. Depositary Shares



Above, center, Akio Morita, Executive Vice-President of Sony Corporation, Tokyo, Japan, manufacturer of electronics products, is shown signing documents covering the offering April 2 in the United States of 300,000 American Depositary Shares representing 3,000,000 shares of common stock of Sony Corporation by an underwriting group headed by Smith, Barney & Co. Incorporated and The Nomura Securities Co., Ltd. At the left is Ernest B. Schwarzenbach, Vice-President of Smith, Barney & Co. Incorporated, and at the right, Shoshi Kawashima, managing director of Nomura. The offering price per American Depositary Share was $17.25.

Shearson, Hammill Opens New Office

PARAMUS, N. J.—**Shearson, Hammill & Co.,** have announced the opening of a new office, on the Lower Promenade at Bergen Mall.

Warren H. Bree has been named resident manager. The registered representatives are Melvin S. Bernhaut, Paul J. Bindewald, Eugene W. Dryden, John B. Farese, Jr., Richard A. Gardner, Joseph T. Iozia, John J. Villani and Richard E. Blackman.

Tax-Exempt Bond Market

BY DONALD D. MACKEY

Although price changes have been small and certainly not general, it is apparent that the state and municipal bond market has eased back slightly from the high point reached about 10 days ago. The *Commercial and Financial Chronicle's* high grade state and municipal general obligation 20-year bond yield Index averages out at 2.896% on April 3. A week ago (March 27) the Index yield was 2.888%. This is the first weekly increase in yield recorded since late January and early February when the market was temporarily set back slightly after the spirited municipal bond market advance which occurred from early December thru mid-January.

Slight Investor Resistance

At that point the market ease spanned but a two week period or less and after a one-half point correction, bank investors were quick to resume their active interest in attractive offerings. The market then slowly proceeded to a new high level represented by the 2.888% yield Index recorded last week. This five year high was certain to be tested and some investor resistance has been apparent during the past few sessions as the new issue calendar has been increased considerably while street inventory has begun to bulge above and beyond the traditional norm of about $500,000,000. The *Blue List* total of state and municipal offerings was $559,900,500 on April 3.

Neither the current inventory situation, nor the heavy calendar forming up, represents a serious threat to the market level from our viewpoint. However, the implications in general seem to indicate that a further correction may be experienced before the $850,000,000 of new issues presently scheduled or tentatively scheduled over the next month may be absorbed by the banks and by other institutional investors. This sizable calendar is the heaviest reported for a similar period in several years and poses at least a psychological obstacle. Moreover, it comes on top of the most voluminous first quarter in municipal underwriting history.

No Change in Fundamental Market Factors

Although these important market factors are less favorable than they have been during the firm market period that has prevailed since early December, the salient money market factors continue at least as favorable to the market as they have been for most of the past year. Even though there appear to be favorable aspects developing within the economy, the total prospective economic activity seems not likely to reduce the reservoir of credit necessary for long-term capital program expansion.

Although durable goods' orders are improving, and capital expenditures are headed up, it is a fact that unemployment persists and even increases and as more political importance progressively attaches to this factor, the less creditable become the more or less persistent rumors favoring somewhat higher money rates. Our populace has become "easy money" conscious and this has simply become a political fetish.

New Jersey Hopes to "Impound" Turnpike Revenues

The headlines portray state and municipal financial problems daily. The scareheads for more revenue continue to obliterate any small print calling for agonizing reappraisals toward economy. New Jersey's case continues as the most "interesting" financial spectacle. By heritage and tradition within both political parties the state has been comparatively well governed. Almost uniquely there is no sales or income tax although one or the other seems now justified.

Unfortunately there is no bi-partisan effort in constructive leadership toward fiscal responsibility and the result is a massive effort on the part of the Governor to grab the earnings of the New Jersey Turnpike, presumably available by 1972, and to thus pay off $750,000,000 of proposed State of New Jerey bonds issued for capital construction maturing out to about 2,000, plus the estimated $500,000,000 of interest cost on this debt. This fiscal Frankenstein is to be placed on the ballot for a November vote for hopeful passage on the proposition that it will set back the date for the need of broad base taxation.

It goes without saying that the ballot question, if any, should be "do you want a broad base tax and if so, what kind?" Thus the state's institutional needs could be reasonably disposed of.

Should the Turnpike issues be paid off by 1972, the funds thus freed will be then needed in the extreme for the highway problems of that generation. The strata of common sense that frequently seems dormant and is often patient and quiescent, seems likely to turn this ridiculous proposal down flat. We just don't seem to get the right questions on the ballot!

Recent Awards

The new issue calendar for the past week was light and totaled only $108,000,000 of bonds. However, as is almost always the case, there were a half dozen issues of general market importance which are worthy of brief comment. Bidding for these issues continued at the hectic pace of the last month but initial investor demand for these issues was not at so feverish a pace.

Last Thursday only one issue of note sold at public bidding. The Clark County School District (Las Vegas), Nevada sold $5,000,000 Limited Tax (1964-1983) bonds to the syndicate headed by *Phelps, Fenn & Co.* at a net interest cost of 3.3967%. This bid compared very favorably with the runner-up bid, a 3.40% net interest cost, which was made by the Eastman Dillon, Union Securities & Co. group.

Other major members of the winning syndicate include Goldman, Sachs & Co., Shearson, Hammill & Co., Goodbody & Co., Paine, Webber, Jackson & Curtis, William Blair & Co., Laidlaw & Co. and Barret, Fitch, North & Co.

Scaled to yield from 1.80% to 3.50% for various coupons, the present balance in syndicate totals $3,034,000.

The group headed by *Eastman Dillon, Union Securities & Co.* purchased through negotiation an issue of $2,250,000 University of Rhode Island, Student Union Addition revenue (1965-1987) bonds late Thursday.

Other major members of this group include G. H. Walker & Co., Brown, Lisle & Marshall and Townsend, Dabney & Tyson.

The bonds were reoffered to yield from 2.10% to 3.50% and all but $590,000 of the bonds have been sold.

Current Week's Business

Friday, March 29, was interesting only because there were no issues of over $100,000 on the calendar. This is rare indeed in these days of heavy volume. Monday of this week was another dull day, with but one notable issue up for public bidding. Shelby County (Memphis), Tennessee awarded $8,000,000 general obli-

Continued on page 42

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California, State	3½%	1982	3.15%	3.00%
Connecticut, State	3¾%	1981-1982	3.00%	2.85%
New Jersey Hwy. Auth., Gtd.	3%	1981-1982	3.00%	2.85%
New York, State	3¼%	1981-1982	3.00%	2.80%
Pennsylvania, State	3⅜%	1974-1975	2.65%	2.50%
Delaware, State	2.90%	1981-1982	2.95%	2.80%
New Housing Auth. (N. Y., N. Y.)	3½%	1981-1982	3.10%	2.95%
Los Angeles, California	3¾%	1981-1982	3.15%	3.05%
Baltimore, Maryland	3¼%	1981	3.00%	2.85%
Cincinnati, Ohio (U.T.)	3½%	1981	3.05%	2.90%
Philadelphia, Pennsylvania	3½%	1981	3.20%	3.05%
*Chicago, Illinois	3¼%	1981	3.20%	3.05%
New York, New York	3%	1980	3.06%	3.00%

April 3, 1963 Index=2.896%

*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.

April 4 (Thursday)			
Clarenceville Sch. Dist., Mich.	1,500,000	1964-1991	8:00 p.m.
Jefferson Parish, East Bank Sewer District, La.	4,000,000	1964-1993	2:00 p.m.
Lubbock Indep. Sch. Dist., Texas	2,150,000	1964-1980	1:00 p.m.
April 5 (Friday)			
Poughkeepsie, N. Y.	3,058,000	1963-1984	11:30 a.m.
April 8 (Monday)			
Duncan, Okla.	1,098,000	1965-1988	7:30 p.m.
Dupage & Cook Counties Hinsdale Township High S. D. No. 86, Ill.	4,000,000	1970-1982	--------
Lansing, Mich.	6,975,000	1964-1988	8:00 p.m.
Missoula Special Improvement District No. 281 & 282, Mont.	1,175,000	1963-1978	8:00 p.m.
April 9 (Tuesday)			
Brevard Co. Spec. Tex SD #1, Fla.	12,000,000	1966-1981	Noon
Detroit, Mich.	10,500,000	1967-1993	11:00 a.m.
Gallatin County Sch. Dist., Mont.	2,348,680	1963-1973	8:00 p.m.
Greer, S. C.	1,000,000	1964-1988	Noon
High Point, N. C.	2,000,000	1964-1985	11:00 a.m.
Lompac, Calif.	1,660,000	1964-1991	7:30 p.m.
New Rochelle City Sch. Dist., N. Y.	2,350,000	1964-1987	Noon
Thomasville, N. C.	1,025,000	1965-1987	11:00 a.m.
April 10 (Wednesday)			
California State Construction & State School Building	100,000,000	1965-1989	10:00 a.m.
Florida State University, Fla.	1,814,000	1964-2003	--------
Loudoun County, Va.	1,000,000	1964-1978	Noon
April 11 (Thursday)			
Branford, Conn.	1,465,000	1964-1983	2:00 p.m.
Duval Co. Spec. Tax SD No. 1, Fla.	10,000,000	1965-1981	11:00 a.m.
Essex County, N. J.	5,299,000	1964-1977	11:15 a.m.
North East Indep. Sch. Dist., Texas	2,300,000	1964-1988	7:30 p.m.
April 15 (Monday)			
Bozeman, Mont.	1,010,000	1964-1984	1:00 p.m.
Brown County, Wis.	1,000,000	1964-1983	2:00 p.m.
Central Union High S. D., Calif.	1,750,000	1964-1983	2:30 p.m.
Kenosha, Wis.	2,790,000	1966-1992	--------
Port Huron Area S. D., Mich.	6,575,000	1964-1986	7:30 p.m.
April 16 (Tuesday)			
Albuquerque, N. Mex.	10,741,000	1964-1983	10:00 a.m.
Anchorage Tele. Sys. Rev., Alaska	6,000,000	--------	--------
Davenport Community S. D., Iowa	1,900,000	1964-1981	10:30 a.m.
Detroit, Mich.	11,505,000	1964-1988	--------
Evansville, Ind.	1,000,000	1970-1996	2:00 p.m.
Ingham County, Mich.	1,750,000	1964-1969	11:00 a.m.
Omaha City Sch. Dist., Neb.	25,000,000	1965-1984	11:00 a.m.
Orange, Texas	1,250,000	1964-1983	7:30 p.m.
Snohomish Co. PUD No. 1, Wash.	6,000,000	1964-1978	2:00 p.m.
West Salem & Hamilton Joint Sch. District No. 1, Wis.	1,160,000	1964-1983	1:30 p.m.
April 17 (Wednesday)			
Galveston County, Texas	3,845,000	1965-1996	2:00 p.m.
Louisiana (Highway)	15,000,000	1964-1988	10:00 a.m.
April 18 (Thursday)			
Edina-Morningside Indep. School District No. 273, Minn.	1,900,000	1966-1990	7:00 p.m.
Kingsway Regional H. S. D., N. J.	1,750,000	1964-1983	8:00 p.m.
Pontiac School District, Mich.	3,200,000	1964-1970	8:00 p.m.
April 22 (Monday)			
Fort Lee School District, N. J.	2,462,000	1964-1988	8:00 p.m.
King County, Wash.	2,000,000	--------	1:30 p.m.
Rim of the World Unif. SD, Calif.	1,395,000	1964-1984	11:00 a.m.
April 23 (Tuesday)			
Cook County New Trier Township			
Davis County Sch. Dist., Utah	1,981,000	--------	8:00 p.m.
High School District No. 203, Ill.	8,750,000	1964-1982	8:00 p.m.
Los Angeles Flood Control Dist., California	15,000,000	--------	--------
Oregon (State of)	10,500,000	1966-1993	9:00 a.m.
Oxnard Union High School, Calif.	1,350,000	1964-1976	11:00 a.m.
St. Louis County, Mo.	5,000,000	1964-1983	11:00 a.m.
Torrence Unified Sch. Dist., Calif.	1,000,000	1964-1983	9:00 a.m.
Tulsa Co. Indep. S. D. No. 1, Okla.	3,000,000	1965-1976	10:00 a.m.
Washington Sub. San. Dist., Md.	14,000,000	--------	11:00 a.m.
April 24 (Wednesday)			
Baltimore County, Md.	8,000,000	1963-2003	--------
New Orleans, La.	1,000,000	1964-1987	10:00 a.m.
New York, N. Y.	108,720,000	1964-1993	Noon
Thief River Falls Independent Sch. District No. 564, Minn.	1,495,000	--------	11:00 a.m.
Weld County Sch. Dist. #6, Colo.	2,350,000	--------	8:30 p.m.
April 25 (Thursday)			
Horicon Junior S. D. No. 10, Wis.	1,184,000	--------	1:30 p.m.
April 30 (Tuesday)			
Beaumont, Texas	2,000,000	--------	10:00 a.m.
Santa Clara County, Calif.	8,000,000	--------	--------

Volume 197 Number 6252 . . . The Commercial and Financial Chronicle

The Secondary Market for State and Municipal Bonds

By R. V. Wehrheim,* *Vice-President, The Philadelphia National Bank, Philadelphia, Pa.*

Still generally unrecognized or unappreciated is the looming size of the tax-exempt secondary market. Trends charted show that if as little as 1/9th or 12% of outstanding municipals annually return to the market, the yearly secondary market volume will equal today's huge new issue volume by 1970. Mr. Wehrheim points to the changes taking place in the distribution of holdings and to the forces shaping a rising, voluminous turnover of those holdings which is of no small concern to dealers and dealer banks looking for dependable profit-sources. Spot surveys already made are said to show that secondary market operations account for a surprisingly large percentage of both volume and profits since dealers are free to move fast and to price freely. The Philadelphia banker describes marketing arrangements and strongly recommends upgrading trading departments and traders to the recognition they deserve as secondary operations become a substantial part of the municipal business. Need for improvements is said to exist in such areas as: (1) "shopping the bid"; (2) granting options; (3) forming secondary accounts by members of primary accounts; and (4) piecemeal offerings.

There is no doubt that the underwriting, syndicating, and marketing of new bond issues has become a complex matter, and the rules, customs, and procedures related thereto require constant surveillance and revision by responsible trade organizations such as the IBA and by the industry generally. However, I wonder if those of us who must devote most of our attention to new issues might have become so engrossed with this particular sector that we have to some extent lost sight of the relative importance of the Secondary Market, and whether we have given due recognition to the status and the problems of those departments and individuals responsible for dealing in these bonds as they come into the market.

Robert V. Wehrheim

Definition of Primary and Secondary Markets

Let's start by making sure we all agree as to what is meant by the "Secondary Market" as contrasted to the "Primary Market." These terms are largely self-explanatory. The *Primary Market* might be defined as taking in those operations and transactions involved in the process of underwriting and syndicating new bond issues and the ultimate placing of those bonds in the portfolios of investors, either directly by the underwriters or through dealers who are not a part of the underwriting account.

By the *Secondary Market* we mean those transactions and quotations involving bonds which find their way back into the market *after* first having been acquired by investors via the Primary Market. The term "investors" is used here in a broad sense, as including those bonds purchased by dealers from original underwriters and then reoffered for sale.

Huge Current and Potential Material for the Secondary Market

Now let's take a look at the imposing ammount of bonds representing current and potential material for the Secondary Market. As shown in our statistical presentation, note first the very substantial increase in new issue volume since 1946, following the more or less static annual volume during the depression and war years of 1931 through 1946. The $8,514,000,000 bonds isued in 1962 set a new annual record, a previous high figure of $8,359,000,000 having been recorded in 1961.

The data on outstanding debt shows the same static situation during the 1931-1941 decade, then actually shows a substantial decline to 1946, occasioned by strict material and labor priorities imposed by the Federal Government during the war, which severely limited the flotation of new issues while outstanding bonds continued to be retired.

Then we see the same rapid build-up in outstandings, in about the same ratio as the increase in annual volume of new issues.

A little quick division here shows outstanding debt to be just about 9 times the annual volume of new financing from 1951 to 1962. Some recognized authorities predict that by 1970 the annual volume of new issues will be about 16 billion. Following this projection, we can arrive at 9 times 16 billion, or about 144 billions of State and Municipal bonds expected to be outstanding by 1970.

You can see from these figures also that if only one-ninth or 12% of outstanding bonds find their way back to the market each year we have an annual Secondary Market volume approximately equal to new issue volume.

As a matter of interest I have also presented a breakdown of presently outstanding debt as to types of holders. A further breakdown of the $5,600,000,000 held by "others" reveals the following:

	000,000s Omitted
Corporations (exclu. banks & insurance companies	$2,300
Mutual Savings Banks	600
U. S. Gov't Investment Funds	500
Other Misc. Investors	1,800

The last category includes savings and loan associations, corporate pension funds, non-profit associations, investment of Foreign balances, and dealers' holdings.

These figures as well as the yield index column in the accompanying table will have more significance shortly, as we discuss the "Velocity of Turnover."

The Velocity of Turnover

We are all familiar with the fact that the velocity of money is of more importance than the supply so far as the effect on our national economy is concerned. By the same token, the large and growing amount of outstanding debt would mean little to the Secondary Market if there were a growing tendency of investors to leave these bonds undisturbed in their portfolios once they were acquired in the Primary Market. However, the opposite seems to be the case.

Reasons for Changing Investment Media

The reasons for an increasing degree of flexibility in investment accounts are not hard to find. Changes in interest rates, governmental fiscal policies, the shifting economic outlook, tax revisions, new rulings and interpretations by central banking authorities; these and other factors have all contributed to more frequent adjustments.

To be a little more specific, let's refer again to the statistical data and the division of outstanding tax-exempt bonds by types of investors. Note that $23,200,000,000 or about 29% of outstanding bonds were owned by *commercial banks* as of June 30, 1962. Therefore, any development influencing the investment policies of these banks can add importantly to Secondary Market activity. In December, 1961 the Federal Reserve Board issued a ruling permitting these banks to pay up to 4% on time and savings deposits. In order to meet the competition from savings banks and building and loan associations, a great many commercial banks went up to the maximum rate. Then, to obtain sufficient income to afford this higher payout, many banks entered into a broad program of shifting out of short-term United States Government and local government bonds, producing an inadequate return, into tax-exempts with a longer maturity and producing enough yield to "cover" their increased charges.

Also, many banks purchased tax-exempts as more or less permanent investments during the time when interest rates were very low compared to today. As a reminder of how low rates were not many years ago, let's look at the column headed "Bond Buyer 20-Bonds Yield Index." Note that the average yield obtainable on an average quality 20-year bond on Jan. 1, 1946 was only 1.42%; on Jan. 1, 1951 1.66%; and as late as 1956 it was still only 2.56%, compared with 3.37% in January, 1962. This index stands today at 3.08%.

Yields on shorter-term bonds were correspondingly low, dipping at times to a fraction of 1% on bonds in the so-called "bank maturity range" of one to ten years. The great majority of banks carry discount bonds on their books at the coupon rate and do not amortize discount as they do premium. Therefore, these low-coupon bonds are today inefficient investments and are constantly being replaced with

Continued on page 14

STATISTICAL DATA

Year	New State and Municipal Bond Issues No. of Issues	Amount (In Billions)	State & Municipal Debt Outstand'g (As of June 30)* (In Billions)	Bond Buyer 20 Bond Yield Index As of Jan. 1†	Top Corporate Tax Rate¶	Top Individual Normal and Surtax Rate§
				Percentages		
1962	6425	$8,514	$80,131	3.37	52	91
1956	6495	5,446	47,400	2.56	52	91
1951	5281	3,278	26,592	1.66	‡50.75	‡85.63
1946	3319	1,204	15,626	1.42	38	86.45
1941	5548	1,229	19,860	2.14	31	81
1936	5342	1,156	19,212	3.25	15	79
1931	4480	1,251	19,060	4.12	12	25

Approximate amounts of outstanding State and Municipal Bonds Held as of June 30, 1962 by Classes of Holders

			Increase Over June 30, 1961
Commercial Banks	29%	$23,200,000,000	$4,400,000,000
Individuals and Trusts	38	30,500,000,000	2,200,000,000
Life & Casualty Insur. Cos.	17	13,600,000,000	1,300,000,000
Trusts and Pension Funds of State Governments	9	7,200,000,000	200,000,000**
Others	7	5,600,000,000	700,000,000

† All time low 1.29% on Feb. 14, 1946; all time high 5.69% on May 1, 1933.
¶ All time low 1% 1913-1915. § All time low 7% 1913-1915.
* Note static figures of outstanding debt during depression years—1931-41, decrease during war years—1941-46, and rapid increase thereafter.
** Decrease. ‡ Average.
SOURCE—Daily Bond Buyer.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Bank Stocks — Comparison and analysis of 25 leading bank stocks —Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Beet Sugar Processors—Report—Evans & Co., Incorporated, 300 Park Avenue, New York 22, N. Y.

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

Business & The Stock Market—Review — Blair & Co. Incorporated, 20 Broad St., New York 5, New York.

Common Stocks for Growth—Bulletin—Watling, Lerchen & Co., Ford Building, Detroit 26, Mich.

Gold Problem — Discussion—Carreau & Company, 115 Broadway, New York 6, N. Y.

Growth Industries — Discussion—with particular reference to **Arizona Public Service Co., Warner Lambert Pharmaceutical Co., Chesebrough Pond's Inc., Minneapolis Honeywell Regulator Co., Standard Brands,** and **Holt, Rinehart & Winston.** A. M. Kidder & Co., Inc., 1 Wall St., New York 5, N. Y.

Japan Stock Exchange Manual—Detailed information on a variety of subjects concerning the technicalities of investing in Japan—The Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y. Also available are statistical data on Japanese securities.

Japanese Economy for 1963—Booklet—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also available is a booklet on the **Japanese Stock Market for 1963.**

Japanese Market—Review—Yamaichi Securities Co., of New York, Inc., 111 Broadway, New York 6, N. Y. Also available is an analysis of **Takeda Chemical Industries Ltd., Atsugi Nylon Industrial Co., Kanegafuchi Spinning Co.,** and **Nippon Rayon Co.**

Oil Stocks — Bulletin — Bache & Co., 36 Wall St., New York 5, N. Y. Also available is a bulletin on **Rail Stocks** and reports on **Family Finance,** and **Hart Schaffner & Marx.**

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.

Planned Portfolios for various objectives — Survey — Thomson & McKinnon, 2 Broadway, New York 4, N. Y.

Public Utility Common Stocks—Comparative figures—G. A. Saxton & Co., Inc., 52 Wall St., New York 5, N. Y.

Recommended Investment Lists—Bulletin — Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is an analysis of **Merck & Company.**

Russian Oil: Fuel for Communism —Discussion in current issue of The Exchange Magazine-The Exchange, 11 Wall St., New York 5, N. Y. 20¢ per copy, $1.50 per year. Also in the same issue are comments on **Warner Brothers Co., American Cement Corp.** and **Welch Scientific Co.**

Savings & Loan Holding Companies—Report—W. E. Hutton & Co., 14 Wall St., New York 5, N. Y. Also available is an analysis of **Arvin Industries.**

Transcontinental Rate Case—Discussion — Vilas & Hickey, 26 Broadway, New York 4, N. Y.

* * *

American Enka—Memorandum—Steiner, Rouse & Co., 19 Rector St., New York 6, N. Y.

American Seating—Memorandum —Penington, Colket & Co., 70 Pine St., New York 5, N. Y.

American Tobacco—Review—Dresner, Gomberg & Company, Inc., 37 Wall Street, New York 5, N. Y. Also available are comments on **United Fruit** and **Holiday Inns.**

Ampco Metal — Memorandum — Schuster & Co., Inc., 37 Wall St., New York 5, N. Y.

Anelex Corporation — Analysis — Putnam & Co., 6 Central Row, Hartford 4, Conn.

Armstrong Cork Company — Review—Vanden Broeck, Lieber & Co., 125 Maiden Lane, New York 38, N. Y. Also available are reviews of **Iowa Southern Utilities Company** and **American Sugar Refining Company.**

Armstrong Paint & Varnish Works, Inc. — Analysis — Scherck, Richter Company, 320 N. Fourth St., St. Louis 2, Mo.

Atlantic City Electric Company—Analysis — Butcher & Sherrerd, 1500 Walnut St., Philadelphia 2, Pennsylvania.

Atlantic Refining Company—Report—Courts & Co., 11 Marietta St., N. W., Atlanta 1, Ga. Also available is an analysis of **E. J. Brach & Sons** and a memorandum on **Genuine Parts Co.**

Avon Products — Report — L. F. Rothschild & Co., 120 Broadway, New York 5, N Y.

A. J. Bayless Markets Inc.—Analysis—Wedbush & Company, 157 Santa Barbara Plaza, Los Angeles 8, Calif.

Black & Decker Manufacturing Company — Analysis — Eastman Dillon, Union Securities & Co., 1 Chase Manhattan Plaza, New York 5, New York.

Boss-Linco Inc. — Analysis—Doolittle & Co., Liberty Bank Building, Buffalo 2, N. Y.

E. J. Brach & Sons—Memorandum —Halle & Stieglitz, 52 Wall St., New York 5, N. Y.

British Petroleum — Review — Shearson, Hammill & Co., 14 Wall St., New York 5, N. Y. Also available are reviews of **General Tire & Rubber Co.,** and **Schlumberger Ltd.**

Canadian Gas & Energy Investment, Ltd. — Memorandum—Gairdner & Company Limited, 320 Bay St., Toronto 1, Ont., Canada.

Celanese Corporation of America —Analysis—Emanuel, Deetjen & Co., 120 Broadway, New York 5, New York.

Celanese Corporation of America —Memorandum—J. W. Sparks & Co., 120 Broadway, New York 5, New York.

Christiana Securities Co. — Bulletin—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Continental Can Company — Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y.

Continental Insurance Company—Comments — Oppenheimer, Neuborg & Neu, 120 Broadway, New York 5, N. Y. Also available are comments on **Georgia Pacific Corporation, M. A. Hanna Company** and **Standard Oil of Indiana.**

Coral Ridge Properties, Inc.—Analysis—Walston & Co., Inc., 111 West Jackson Blvd., Chicago 4, Ill.

Distillers Corporation-Seagrams Limited—Analysis—Isard, Robertson, Easson Co., Limited, 217 Bay St., Toronto 1, Ont., Canada.

Dow Chemical — Analysis—Colby & Co. Inc., 85 State St., Boston 9, Mass. Also available is an analysis of **Pacific Intermountain Express.**

Du Pont—Report—Harris, Upham & Co., 120 Broadway, New York 5, N. Y. Also available is a report on **Philips Lamp Works.**

Eastman Kodak — Comments in current issue of "Investor's Reader" — Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 5, N. Y. Also in the same issue are discussions of **International Nickel Co. of Canada, Draper Corp., Heublein, Inc., Mohasco Industries Inc., Kellogg Co.,** and **Union Oil Co.**

FMC Corp. — Analysis — F. S. Moseley & Co., 50 Congress St., Boston 1, Mass. Also available is an analysis of **Rochester Telephone.**

Farmers Underwriters Association —Analysis — Cartwright, Valleau & Co., Board of Trade Building, Chicago 4, Ill.

Firemen's Fund Insurance—Memorandum—Birr, Wilson & Co., Inc., 155 Sansome St., San Francisco 4, Calif.

Firestone Tire & Rubber — Comments — Walston & Co., Inc., 74 Wall St., New York 5, N. Y. Also available are comments on **Ford Motor** and **Combustion Engineering.**

Ford — Memorandum — Rittmaster, Voisin & Co., 40 Exchange Place, New York 5, N. Y. Also available are memoranda on **Melnor Industries** and **Hawaiian Telephone.**

Fram — Memorandum—Shields & Co., 44 Wall St., New York 5, N. Y. Also available is a memorandum on **Purolator.**

Great Southern Life Insurance Co. —Analysis—Eddleman, Pollok & Fosdick Inc., Bank of the Southwest Bldg., Houston 2, Tex.

Houston Lighting & Power—Analysis—Cohen, Simonson & Co., 25 Broad St., New York 4, N. Y. Also available are analyses of **Peoples Gas Light & Coke, National Biscuit** and **Abbott Laboratories.**

Johns Manville — Discussion — Hayden, Stone & Co., Inc., 25 Broad St., New York 4, N. Y. Also available are comments on **Maryland Cup,** and memoranda on **Coastal States Gas Producing** and **Tex Star Oil & Gas.**

Labrador Mining and Exploration Co., Ltd. — Analysis — Equitable Brokers Ltd., 60 Yonge St., Toronto 1, Ont., Canada. Also available is an analysis of **Dominion Textile Co., Ltd.**

P. Lorillard Co.—Review—D. H. Blair & Co., 5 Hanover Square, New York 4, N. Y. Also available is a review of **Anheuser Busch** and **Howard Johnson Co.**

Lumbermans Acceptance Corp.—Report—North's News Letter, 414 Mason Street, San Francisco 2, Calif., $2 per copy.

Louisville & Nashville—Review—Carl M. Loeb, Rhoades & Co., 42 Wall Street, New York 5, N. Y. Also available are reviews of **Southern Pacific,** and the **Rails.**

Mack Trucks—Memorandum—Dempsey-Tegeler & Co., Inc., 80 Pine Street, New York 5, N. Y. Also available are memoranda on **Dover** and **Sinclair.**

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

Marathon Oil—Comments—Herzfeld & Stern, 30 Broad Street, New York 4, N. Y. Also available are comments on **Rexall Drug & Chemical.**

Micromatic Hone Corporation—Bulletin—de Witt Conklin Organization, Inc., 120 Broadway, New York 5, N. Y.

Murphy Corporation—Analysis—Schneider, Bernet & Hickman, Inc., 1505 Elm Street, Dallas 1, Texas. Also available is an analysis of **Ridge Tool Company,** and a memorandum on **Southwestern Investment Co.**

National General—Memorandum Kleiner, Bell & Co., 215 South Beverly Drive, Beverly Hills, Calif.

New York State Electric & Gas—Report—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available is a report on **Sealright Oswego Falls.**

Noranda Mines Limited—Analysis —Greenshields Incorporated, 507 Place de'Armes, Montreal, Que., Canada.

Olin Mathieson Chemical Co.—Analysis—J. C. Wheat and Company, 1001 East Main Street, Richmond 19, Va.

Pan American World Airways—Memorandum—McDonnell & Co. Incorporated, 120 Broadway, New York 5, N. Y. Also available is a memorandum on **Eastman Kodak.**

J. C. Penney Company—Analysis —Hornblower & Weeks, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are comments on **Rayonier, National Acme, Gardner Denver, Amerada Petroleum Standard Oil of Indiana, Sinclair Oil, Ferro, Talon** and **Ceco Steel Products.**

Pepsi-Cola Co. — Analysis — Fahnestock & Co., 65 Broadway, New York 6, N. Y. Also available is a review of **MSL Industries, Inc.** and **United Nuclear.**

Piper Aircraft—Review—Purcell & Co., 50 Broadway, New York 4, N. Y.

Prufcoat Laboratories, Inc.—Analysis—Chace, Whiteside & Winslow, Inc., 24 Federal Street, Boston 10, Mass.

Pulaski Furniture Corp. — Memorandum—Galleher & Co., Mutual Building, Richmond 11, Va.

Radio Corporation of America—Memorandum—Goodbody & Co., 2 Broadway, New York 4, N. Y.

Seaboard Allied Milling—Memorandum—Clayton Securities Corporation, 147 Milk Street, Boston 9, Mass.

Security Life Insurance—Memorandum—Johnson, Lane, Space & Co., Inc., 14 North Court Square, La Grange, Ga.

South Puerto Rico Sugar—Comments—Winslow, Cohu & Stetson, Inc., 26 Broadway, New York 4, N. Y. Also available are comments on **Namm Loeser's** and **Sunray DX Oil.**

Sperry Rand Corp.—Analysis—F. & C. Securities, Inc., 6911 18th Avenue, Brooklyn 4, N. Y.

Springfield Insurance Company—Analysis—Sanford & Company, 233 Sansome Street, San Francisco 4, Calif.

Standard Oil Company of Indiana —Annual Report — Standard Oil Company (Indiana), 910 South Michigan, Chicago 80, Ill.

Stewart Warner Corp.—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Stewart Warner Corp.—Memorandum—Sincere and Company, 208 South La Salle Street, Chicago 4, Illinois.

Superior Oil — Review — Reuben Rose & Co., Inc., 115 Broadway, New York 6, N. Y. Also available are comments on the **Steels** and **Cinerama.**

Towle Manufacturing—Memorandum—Jamieson & Company, First National Concourse Building, Minneapolis 2, Minn.

Transcon Lines—Memorandum—Hill Richards & Co., 621 South Spring Street, Los Angeles 14, Calif.

U. S. Plywood Corp.—Memorandum—R. W. Pressprich & Co., 80 Pine Street, New York 5, N. Y.

U. S. Steel—Bulletin—Jacques Coe & Co., 39 Broadway, New York 6, N. Y.

CLASSIFIED

Clay Committee Commended Except for Its U. K. Hopes

By Paul Einzig

Dr. Einzig is pleased that the recent Clay Committee report to President Kennedy, recommending reduction of U. S. foreign aid, concurs with but one exception with what he has been urgently advising U. S. A. to do for the past two years. The noted economist disagrees with the report only with regard to Britain's ability to increase its share of foreign aid. He fears that Britain's return to reflationary measures and its domestic upward wage cost trend coupled to its precarious balance of payments preclude doing what France, West Germany and Italy can do in the way of taking on more of the foreign aid burden.

LONDON, England—In its Report, the Committee headed by General Lucius Clay urged the Washington Administration to reduce foreign economic and military aid granted year by year by the United States. This is precisely what I repeatedly suggested in my articles in the *Commercial and Financial Chronicle* for the last two years or so. I have felt all along that, since American foreign aid is paid not out of a balance of payments surplus but out of the gold reserve, in the long run it is bound to weaken the capacity of the United States to continue to assist the Free World effectively.

At the present rate, a stage may be reached, in not much more than five years, at which the United States would have to stop foreign aid simply because financial resources would no longer be available for that purpose. By that time the danger of Communist aggression will be much more acute than it is today, because the industrial capacity of the Soviet bloc will have greatly increased and because China will have a bigger say in the decisions on Communist foreign policy. Moreover, by that time the moderate elements may no longer be able to continue to argue convincingly that the right policy from the Communist point of view would be to rely on the Marxian forecast of a collapse of capitalism instead of trying to overthrow capitalism by armed aggression. For by that time the business cycle will be once more on the upswing.

Just at the time when the need for assisting the Allies of the United States will be much more imperative than it is today, the resources will no longer be available because they had been used up during a period when the need for granting foreign assistance was not nearly as imperative as it will be in five years' time. To continue foreign aid at the present rate may best be compared with wasting our ammunition before the enemy has reached our firing range.

Disagrees Only With Regard To U. K.

On the basis of the above argument, the case for a drastic scaling down of American aid is unanswerable. The Clay Committee is right in suggesting that the Western European allies of the United States are now in a better position to bear the burden. This, at any rate, is true about France, West Germany and Italy. Unfortunately, it is far from true as far as Britain is concerned. Although the British balance of payments had a small surplus in 1962, its size is not sufficiently large to permit any increase of foreign aid. Indeed, even the maintenance of foreign aid on the existing scale may mean that an increase of British long-term investment abroad is achieved at the cost of an increase of British short-term indebtedness abroad.

Obviously, there must be a limit beyond which this process could not continue. In the case of Britain there is not even the cushion of a large gold reserve. The British gold reserve is barely sufficient to inspire confidence in sterling. Since the loss of some hundreds of millions of dollars tends to bring it to danger level, the more Britain's short-term investment abroad increases the less adequate the gold reserve will become at times of adverse pressure on sterling.

In order that Britain should be able to increase the contributions to foreign aid it would be necessary to improve the balance of payments quite considerably. Yet at the present moment it seems to be the Government's intention to forget about the balance of payments and concentrate on bringing about a business recovery. The measures taken, or about to be taken, to that end will raise British wages and will tend to stimulate imports while handicapping exports. I doubt if the Government would be able to adopt special measures for stimulating exports which would do more than offset the adverse effect of the reflationary measures on exports.

Fears Weakened Sterling

During recent weeks there were pronouncements from the other side of the Atlantic suggesting that a rise in British wages would be a good thing since it would relieve the dollar of pressure. That may well be, but this result would be achieved at the expense of a corresponding increase of pressure on sterling. In the long run it is certainly not to the interests of the United States to secure relief for the dollar by weakening the defenses of sterling, for, should sterling be unable to resist pressure, the development of an irresistable pressure on the dollar would follow sterling's devaluation as surely as night follows day.

For this reason it was a pity to encourage British wage demands by enabling British trade union leaders to quote authoritative views expressed in the United States to the effect that British wages, so far from being too high, are in fact supposed to be too low. It is true, they are still considerably lower than wages in the United States, though much less so in terms of purchasing power than in terms of money wages. But then it must be borne in mind that, very broadly speaking, industrial workers in the United States do work for their wages which is more than a very large proportion of British workers could claim.

There can be little doubt that any further rise in British wages would be detrimental to the British balance of payments. This again would mean that Britain would be unable to increase foreign aid or even to maintain it at the present level. One thing is quite certain. If it is too much to expect Britain to increase foreign aid in existing conditions, or to allow the wage level to rise in order to assist the dollar, it is surely the height of absurdity to expect Britain to increase foreign aid and to allow the wage level to rise at the same time. What matters is that both countries should realize their limitations.

In the long run it would only do harm if they continued foreign aid at a rate at which is clearly beyond their means.

But as far as France, West Germany and Italy are concerned, the Washington Administration is on the right lines when, in answer to their claim to have more influence on NATO decision, it lays down the principle of "no representation without taxation," and "he who pays the piper calls the tune."

T. E. Carver With McAlister, Smith

GREENVILLE, S. C.—Thomas E. Carver, Sr., has become associated with McAlister, Smith & Pate, Inc., South Carolina National Bank Building. Mr. Carver was formerly in the municipal and mutual funds departments of Joe McAlister Co.

Panel on Free Enterprise

TRENTON, N. J.—This historic city, Capitol of the United States in September of 1783, will again take on national importance for a day when on May 1, leading businessmen from all parts of the nation will join with key spokesmen for government, religion, labor, management, education and communications in a fact-finding discussion on the subject "The Survival of Free Enterprise."

Mary Roebling

Mrs. Mary G. Roebling, President and Chairman of the Board, together with the officers and directors of the Trenton Trust Co., will be host to the 2,000 top U. S. businessmen, leaders, and Trentonians, who will participate in the event at the War Memorial Building. The unusual event will be the joint climax of the Diamond Jubilee Celebration marking the 75th Anniversary of the founding of the Trenton Trust and the Silver Anniversary commemorating the 25th year of Mrs. Roebling's directorship of the bank.

Nationally-known leaders who will speak on "The Survival of Free Enterprise" include: The Honorable James Saxon, Comptroller of the Currency; The Honorable Richard J. Hughes, Governor of New Jersey; The Very Reverend Theodore M. Hesburgh, C.S.C., President of Notre Dame University; Woodrow Wirsig, Moderator, Editor of *Printers' Ink* and nationally syndicated business columnist; Lawrence Litchfield, Jr., President, Aluminum Co. of America; David J. McDonald, President, United Steelworkers of America, and Drew Pearson, national columnist. The Honorable William W. Scranton, Governor of Pennsylvania, will also deliver a significant message.

Lending particular interest to the nation's businessmen is the fact that at least 100 leaders of industry will represent companies that have been in continuous existence in the United States for the past 75 years and have prospered under the free enterprise system. The others will be key leaders in every facet of business from every part of the United States.

As a banker and citizen, Mrs. Roebling stated, "I feel certain that this meeting of businessmen and top leaders of the nation will throw light and understanding on the factors that have made free enterprise the key to American industrial growth and strength during the past 75 years.

"Now we are at the crossroads in U. S. economic history. If free enterprise is to last another 75 years, we must study and discuss the factors that enabled America's businessmen to succeed in the past, and to see how these old factors may join with new modern thoughts to help other business survive and grow in the next 75 years."

"The Cross of Gold"

By Haller Belt, *San Francisco, Calif.*

Mr. Belt urges a speedy, simultaneous multilateral devaluation of gold to be accomplished prior to November, 1964. Further, he advocates the fixing of new par values of all IMF member nations solely in terms of their gold content and not the U. S. dollar's, and the return to an international gold standard before the next Administration's January, 1965, inauguration. The writer uses William Jennings Bryan's famous "Cross of Gold" phrase in contending that the United States today bears such a burden by maintaining $35 an ounce mint fixity in the face of: Continuing Federal deficits and increasing public debt, inflated member countries' paper currencies, and reserve currency responsibility to the Free World. Devaluation, he concludes, could then permit prompt return to the gold standard, and end our heavy burden of the "Cross of Gold."

Were it possible for William Jennings Bryan to return to this earth and to be extended the privilege of addressing the 18th Annual Meeting of the Board of Governors of the International Monetary Fund (IMF) to be held in Washington, D. C., in September 1963. I have every confidence that he would be accorded the very same resounding acclamation that was given him at the Democratic Convention in Chicago in July 1896, should he but repeat that selfsame address and conclude it with those very dramatic words:

Haller Belt

"You shall not press down upon the brow of labor this crown of thorns, you shall not crucify mankind upon a cross of gold."

To attain this somewhat fanciful impression, one has only to review thoughtfully the many addresses in the recently published "Summary Proceedings of the 17th Annual Meeting of the Board of Governors of the International Monetary Fund held in Washington, D. C., in September 1962."

With but one exception, each address reflects strong adherence by every Finance Minister to the retention of the U. S. dollar and, too, of British sterling as the reserve currencies of the member nations of the IMF. Also, to a lesser degree, each address reflects a subdued apprehension on the part of the many Foreign Ministers of the possibility of the devaluation of the gold content of the U. S. dollar.

Both of these observations are applicable, especially, to the address of the President of the United States and, also, to that of Secretary of the Treasury Douglas Dillon, the United States Governor on the Board, for both speakers, with full confidence, assured the many delegates that the dollar must continue to serve as the reserve currency on a par with gold at the price of $35.00 per fine ounce as the United States has no intention, whatsoever, of devaluing the gold content of the dollar.

Another striking address is that of Per Jacobssen, Chairman of the Executive Board and the Managing Director of the Fund, in which he emphasizes the continuing attention being given constantly to the two very important problems: (a) that of the stability of the rates of exchange and (b) that of adequate international liquidity. He commends most highly the splendid cooperation currently existing among the international central banking organizations in the attainment of these two primary objectives and he deems it possible to achieve them without any alteration of the present price of gold. Also, he expresses a confidence that this international monetary cooperation ensures avoidance of any tendency towards deflationary procedures and, too, he voices objection to any system of gold guarantees.

Thus, Per Jacobssen lends his efforts and his great influence toward the continuance and the expansion of the U. S. dollar and of British sterling as the reserve currencies on a par with gold at the $35.00 price. In other words, he favors strongly every support for the international monetary system of the GOLD EXCHANGE STANDARD.

South African Delegate Pleads For Devaluation

The one dissenting voice in the Annual Meeting, mentioned above, was that of the Governor for South Africa, T. E. Donges. In his brief but outspoken address, he recommended:

(1) that the *PAR VALUES* of all currencies in terms of gold be devalued by a uniform percentage;

(2) that the change be made simultaneously for all currencies;

(3) that the change be substantial enough to discourage any speculation regarding further adjustments in *PAR VALUES.*

In making these recommedations, Mr. Donges, actually, is expressing strong support for the prompt return of the free world to the fundamental system of the GOLD STANDARD and he substantiates the recommendations with well considered assurances of higher levels of international liquidity and of the firm foundation for exchange stability—with significant advantages to the whole free world for higher levels of employment and for adequate rates of growth.

Cites Other Devaluation Advocates

Mr. Donges' address is fully worthy of the most serious consideration by the member nations of the IMF for, while he is but one of the very small minority favoring return to the GOLD STANDARD, he does have two strong supporters in the persons of M. Jacques Rueff, Financier of Paris, France and of Professor Michael A. Heilprin of the Graduate Institute of International Studies, Geneva, Switzerland. M. Rueff presented his observations in a splendid paper, "The West is Risking a Credit Collapse," that appeared in the July 1961 issue of *Fortune* and Professor Heilprin's proposals are embodied in the Hearings of May 16, June 19, 20 and 21, 1961 before the Subcommittee on International Exchange and Payments of the Joint Economic Committee of the Congress.

However, M. Rueff's proposals are not quite as comprehensive or as definite as are those of Professor Heilprin who contemplates an international GOLD STANDARD that, appropriately, can be adopted within the terms of the Articles of Agreement of the IMF.

The very brevity of Mr. Donges' suggestions appear to be more acceptable than the proposals of Professor Heilprin—they are simple, direct and to the point.

Before favoring the acceptance of the thoughts and recommendations of any one of these three advocates of the return to the GOLD STANDARD, well may one ask; "But what is 'THE CROSS OF GOLD'?"

"Cross of Gold" Explained

It is the very heavy responsibility that is thrust upon the United States to maintain this price of $35 per fine ounce of gold and, thus, to have the dollar serve as the reserve currency of the free world on a par with gold. With our continuing Federal deficits and our huge and increasing Public Debt and, too, with the highly inflated managed paper currencies of the member nations of the IMF, "THE CROSS OF GOLD," actually, is a positive reality.

To revert to the statement that the GOLD STANDARD can be resumed within the terms of the Articles of Agreement of the IMF, it is properly appropriate to quote from the Articles the following portions that so pertain:

"Article IV. Par values of Currencies.

Sec. 1. Expression of par values—The par value of the currency of each member shall be expressed in terms of gold as a common denominator or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944.

Sec. 3. Foreign exchange dealings based on parity—(This section makes full provision for the stability of the rates of exchange mentioned in the address of Per Jacobssen).

Sec. 7. Uniform changes in par values—(This section, equally, makes full provision for uniform changes, simultaneously, in the *PAR VALUES* of all currencies as Mr. Donges so recommends)."

Careful attention must be accorded the wording of Section 1 above for the words, "or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944," must be deleted in their entirety from the Articles of Agreement of the International Monetary Fund. Otherwise, the United States will continue to bear, without end, the heavy burden of "THE CROSS OF GOLD," for should we decide to abrogate the terms of the Bretton Woods Agreement Act of 1945 and, actually, devalue the gold content of the dollar unilaterally, we would initiate promptly the collapse of the financial structure of every nation of the free world.

Reviews Sub-Committee's Report On Exchange and Payments

Before proceeding further, it is well to consider briefly the Report of Dec. 21, 1962 of the Subcommittee on International Exchange and Payments of the Joint Economic Committee of the Congress.

During the past two years, this Subcommittee has conducted hearings on these subjects and has given careful consideration to the many proposals and plans for improvement in the deficits of recent years in our Balance of Payments. Among the many proposals so considered may be mentioned those of the following designations: the Stamp, the Bernstein, the Triffin, the Tew, the Zolotas, the Heilprin and the Roosa—all seemingly, with the exception of the Heilprin, having to do with extensions of the GOLD EXCHANGE STANDARD and the continuance of the U. S. dollar as the reserve currency on a par with gold or incorporating the IMF as the central banking system for all currencies of the free world.

It is surprising, indeed, that the Subcommittee, after these extensive hearings and equally intensive studies, seemingly disregards entirely this burden on the U. S. dollar in the face of the increasing Public Debt and the continued Federal deficits and, in so doing, proceeds to include among their five recommendations to the Congress the following as Recommendation 4:

"The United States must not devalue the dollar, nor offer a general gold guarantee on dollars held as monetary reserves."

Advocates Multilateral Devaluation

As pointed out above, it is fully within the provisions of Article IV, Sec. 7 of the Articles of Agreement of the IMF to devalue in unison the gold content of the currencies of the member nations. It would be sufficient for the ten major industrial nations of the free world to so devalue their currency units simultaneously *solely* in terms of their gold content—the remaining seventy odd member nations of the IMF, of necessity, will adjust the exchange rates of their currencies to accord with the new PAR VALUES of these ten major industrial nations. The ten major nations so mentioned comprise those that recently established the $6.0 billion emergency loan fund for the IMF—namely, Belgium, Canada, France, West Germany, Italy, Japan, Netherlands, Sweden, United Kingdom and the United States.

In conclusion and in all sincerity, it is suggested that the Congress, without delay, authorize the President to invite the Finance Ministers of these ten nations for conference in Washington for the purpose, first, of devaluing the PAR VALUES of their currency units (including the U. S. dollar) *solely* in terms of their gold content and, second, of deleting from the Articles of Agreement of the IMF the words, "or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944."

Then, having determined the schedule of new PAR VALUES for these ten currencies, the Finance Ministers, in concert, should present a resolution to the Board of Governors of the IMF recommending the simultaneous fixing of new PAR VALUES of all member nations *solely* in terms of their gold content and no longer in terms of the United States dollar.

It is to be hoped that this devaluation of the gold content of all currencies can be accomplished during the term in office of the 88th Congress and, thus, before the November elections of 1964.

The United States must insist upon the rejection of the GOLD EXCHANGE STANDARD and the resumption of the international monetary system of the GOLD STANDARD before the Inauguration of the next Administration in January, 1965.

Wood, Struthers & Winthrop Formed

Two of the oldest firms in Wall Street, both members of the New York Stock Exchange, have combined their businesses, it has been announced by Rowland H. George, former senior partner of Wood, Struthers & Co. and Robert Winthrop, former senior partner of Robert Winthrop & Company. The new firm is Wood, Struthers & Winthrop. The agreement became effective at the close of business Friday, March 29.

Headquarters will be at both 20 Exchange Place and at 30 Wall Street until about Sept. 1, when new joint quarters will be occupied at 20 Exchange Place.

Robert Winthrop & Company, founded in 1871, was active in the institutional brokerage field. Through its corporate affiliate, de Vegh & Company, Inc., it has acted as investment adviser to a number of large private and institutional portfolios.

Wood, Struthers & Co. was established in 1914 but was a direct successor of a firm founded in 1850. Throughout its history, it was active as an investment adviser and broker.

In addition to Mr. George and Mr. Winthrop, there are 15 other General Partners. These include Roderick H. Cushman, Harry B. Freeman, Jr., Robert K. Halloran, Frederick S. Moseley, Jr., Melvin G. Ott, and Daniel S. Poor from the firm of Robert Winthrop & Company and Cornelius N. Bliss, Jr., A. Oakley Brooks, George W. Copp, Jr., Gerald M. Gantz, Henry W. Green, Henry Keasbey L'Hommedieu, Daniel J. Lynch, R. Bruce McBratney and Samuel R. Milbank from the firm of Wood, Struthers & Co.

Wood, Struthers & Winthrop will continue the five branches of Wood, Struthers & Co. in Boston, Dallas, New Haven, Rochester and San Francisco. The merged firm has approximately 200 employees. A newly formed corporate affiliate, Wood Struthers & Co., Inc. will engage in corporate and municipal underwriting.

Robert Winthrop, grandfather of the present Robert Winthrop, formed the partnership of Drexel, Winthrop & Co. shortly after the end of the Civil War. This firm, later to be succeeded by Drexel, Morgan & Co., served as the New York affiliate of Drexel & Co.—Philadelphia and Drexel, Harjes—Paris.

Chicago Analysts To Hear

CHICAGO, Ill.—Officers of the Cummins Engine Company will be guest speakers at the luncheon meeting of the Investment Analysts Society of Chicago to be held April 4 in the Illinois Room of the La Salle Hotel.

Col. Miller Opens Put & Call Firm

Col. Homer E. Miller & Co., Inc., Put & Call Broker and Dealer, has been formed with offices at 115 Broadway, N. Y. C. Col. Homer E. Miller, U. S. Army retired, is President. He was recently with Saul Lerner Co., Inc.

Standard Oil Company

⟨Indiana⟩

Reports Increased Earnings

In 1962, net earnings increased for the fourth successive year, totaling $162.4 million, a gain of 5.6 per cent over 1961. Per-share earnings were $4.53, versus $4.30 the previous year.

Cash income—the sum of net earnings and charges against earnings for depreciation, depletion, amortization, retirements, and abandonments—was $10.68 per share. It was $9.95 per share in 1961.

Total revenues and net earnings were the highest in the Company's history. Records were also set for production, refinery runs, and sales. Net earnings per share in 1962 were the highest since 1955, when fewer shares were outstanding.

Capital and exploration expenditures in 1962 were $376.3 million—about equal to the average of such expenditures over the last four years. They reached a record total of $470.3 million in 1961, principally because of the $73-million purchase of Honolulu Oil Corporation properties.

OUTLOOK FOR 1963

Oversupply and competition will continue to exert strong pressures on prices of crude oil and gasoline. Wage increases granted in line with an industry pattern will add about $12 million to the Company's costs in 1963.

On the brighter side, industry increases of about 2.5 per cent in domestic demand and about 8 per cent in free world foreign demand are anticipated. Prospects for the Company are good, and we expect further increases in earnings in 1963.

THE YEAR IN BRIEF

	1962	1961
FINANCIAL		
Total revenues	$2,655,890,000	$2,502,274,000
Net earnings	162,420,000	153,837,000
Net earnings per average outstanding share	4.53	4.30
Dividends paid per share*	2.298	2.248
Capital and exploration expenditures	376,273,000	470,316,000
Total assets at year end	3,108,876,000	3,035,097,000
Book value per share at year end	68.09	65.64
Working capital at year end	533,956,000	500,925,000
OPERATING (*barrels per day*)		
Crude oil and natural gas liquids—		
Net production	374,213	352,272
Refinery input	695,680	660,218
Refined products sold	750,144	687,406

*Includes the market value on date of distribution of the dividends in capital stock of Standard Oil Company (New Jersey)

DIRECTORY

Standard Oil Company

⟨INDIANA⟩

Major Subsidiaries

AMERICAN OIL COMPANY *manufactures, transports and sells petroleum products in the United States. In 15 Midwest states it markets through its Standard Oil division.*

PAN AMERICAN PETROLEUM CORPORATION *explores for and produces crude oil and natural gas in the United States and Canada.*

AMERICAN INTERNATIONAL OIL COMPANY *directs foreign operations outside North America from headquarters in New York City.*

SERVICE PIPE LINE COMPANY *operates common carrier crude oil pipe lines, transporting crude to refineries of American Oil and other companies.*

AMOCO CHEMICALS CORPORATION *manufactures and markets chemicals from petroleum.*

TULOMA GAS PRODUCTS COMPANY *markets liquefied petroleum gas, natural gasoline, ammonia, and related products.*

INDIANA OIL PURCHASING COMPANY *buys, sells, and trades crude oil and natural gas liquids in the United States.*

If you would like to have a copy of our Annual Report, please write to us:

STANDARD OIL COMPANY ⟨INDIANA⟩ 910 S. MICHIGAN, CHICAGO 80, ILLINOIS

Potential Harm Contained In Depletion Tax Proposals

By Henry C. Brunie, *President, Empire Trust Company, New York City*

Empire Trust head predicts serious consequences for the oil industry, as well as the economy, if the Administration succeeds in getting its depletion tax allowance proposal enacted. Mr. Brunie points out that the petroleum industry's profit was 9.7% in the 1925-1961 period compared to 10.4% for all manufacturing industries. If the Treasury realizes the additional $280,000,000 it seeks, Mr. Brunie adds, it will reduce by about one-fourth the amount currently recovered under percentage depletion, have an adverse effect on profits, discourage investment and, thus, could impair future development of the nation's oil resources which definitely would conflict with the national interest.

The Treasury Department thinks the petroleum industry can accommodate an additional $280 million or more in taxes without ill effect. This is obvious from the insistence that the tax proposals recently offered Congress would, in a phrase, get the country moving again.

The large and complex plan for revisions of the nation's tax structure includes four technical-sounding proposals that threaten the future development of our nation's petroleum supplies. The long-range effects of the changes would, we believe, seriously jeopardize President Kennedy's entire program of economic acceleration.

Moreover, the petroleum-related proposals appear to be in sharp contrast with the President's previous public statements. During the 1960 Presidential campaign, for example, he said:

"The depletion allowances . . . should be considered primarily as a matter of resources policy and only secondarily as a tax issue. Its purpose and its value are first of all to provide a rate of exploration, development and production adequate to our national security and the requirements of our economy . . . The oil depletion allowance has served us well by this test."

Members of the Administration have adhered to this theme. Just recently Treasury Secretary Douglas Dillon said that depletion *"was put in for the purpose of stimulating the development of our natural resources . . . a lot of other questions enter into this (percentage depletion), our natural resources policy, conservation, national security, and so forth."*

The present proposals seem inconsistent with this philosophy. They also run counter to the long-range goals of the President's program. These objectives were spelled out in the *Economic Report of the President*, transmitted to Congress just days before the tax message. Quoting from this report:

"Only when we have removed the heavy drag our fiscal system now exerts on personal and business purchasing power and on the financial incentives for greater risk-taking and personal effort can we expect to restore the high levels of employment and high rate of growth that we took for granted in the first decade after the war."

Economic Icebergs

The petroleum-related tax proposals are not in accord with these goals. They are economic icebergs. They show little while they threaten much. They are ostensibly aimed at the "correction of defects," yet they provide the genesis of a radical change in the economic structure of the petroleum industry.

Treasury Department spokesmen estimate that the proposed changes would have the effect of reducing by as much as one-fourth the amount currently being charged off under percentage depletion by the nation's oil and gas companies. As a result, costs of production would rise. This, in turn, would have a depressant effect on profits and would discourage reinvestment of funds generated from production. With dimmed economic prospects, oil producers would also be seriously hampered in their efforts to attract outside risk capital. Consequently, their financial base would be appreciably altered. Exploration would fall off materially, substantially affecting the nation's petroleum resources.

Recent history has amply demonstrated that the industry's ability to generate capital is no more than adequate to its present needs. Hard pressed by a serious cost-price squeeze, the industry has, in fact, recorded a substantial decline in drilling activity since the peak year, 1956.

Present exploration levels are barely adequate. In fact, the industry has been able to maintain this marginal level of exploratory activity only as a result of improved efficiency and cost-reduction programs of major dimensions.

Inevitably, any steps by the government that lead to increased taxes and lower profits will result in sharply curtailed exploration.

The petroleum-related tax proposals would most seriously affect production from new wells. Treasury officials admit that the bulk of the industry's added tax burden would be generated by the proposals to artificially lower percentage depletion on properties that are developed in the future. These added costs, in many instances, could mean the difference between a moderately successful well and one that does not return enough to justify the investment in it. The changes would be of far more significance, however, in those areas where drilling costs sharply rise because of difficult terrain, deeply buried producing zones, or offshore operation.

To Sell or Not to Sell

Present production, except in situations where producing properties are sold, would be virtually unaffected. But, because of proposed changes in the capital gains provisions, producers would effectively be locked into their present holdings. They would often find it uneconomic to sell their producing assets because much of the sales price would be taxed as ordinary income. And not being able to sell their successful producing properties would cut off an important revenue source to make possible further exploration activities.

Caught between these two fires that would make it less profitable either to sell or to develop newly discovered properties, many producers would feel that they had only one alternative if they wanted to protect their interests: to cease all exploration activities and oversee the barrel-by-barrel liquidation of their current holdings.

This combination of circumstances highlights the inconsistency of including recommendations of this kind in a program to stir the economy. In the area of oil the cash flow would diminish. Fewer wells would require fewer employees. A cut in drilling activity would also tend to narrow the present reserve margin, perhaps even lead to shortages.

It is important to keep in mind that low-cost oil and gas now supply 74% of our energy. Further reductions in exploration would pose a serious threat to the nation's future industrial growth. Present domestic consumption of oil is 3.7 billion barrels per year; we consume natural gas at an annual rate of 14 trillion cubic feet. According to the recent fuels study conducted for the Senate Interior Committee, oil demand by 1980 will increase by two-thirds over the 1960 level, while natural gas demand will almost double.

Without present incentives producers may be discouraged from keeping up the search for new petroleum deposits in the face of rising costs. Already, an amount equal to half of the net receipts from production is used every year to discover and develop new oil and gas deposits. Almost one-third of exploration, development, and production expenditures are for exploration activities alone—most of which fail to locate any oil. The total recovered by percentage depletion amounts to only a fraction of the money needed in exploration and development.

Our Present System Works

After a close study of the petroleum industry's tax structure in the fifties a former Treasury Secretary reported: *"From the standpoint of exploration, discovery, development, and continued maintenance of reserves, in terms of historic perspective, our present system of taxation and allowances seems to have worked pretty well."**

This still holds.

The real key to the fairness of the present tax structure is the petroleum industry's profit picture. In the 1925 to 1961 span the average net profit on investment for the petroleum industry was 9.7%. In the same period, the average for all manufacturing industries was 10.4%. Petroleum profits have run just about average year in and year out.

Secretary of the Treasury Douglas Dillon did not specifically mention these statistics in a post-tax message interview, but he conceded that oil company profits are not high. He said that, though some oil companies pay less tax than other types of business, still *"the earnings that these oil companies make, after taxes . . . aren't much more, if any . . . than the business in another area that pays substantial taxes."*

This admission goes to the heart of the petroleum-related proposals now before Congress. Treasury officials estimate that about two-thirds, approximately $200 million, of the increased tax burden on the industry would result from recommended changes in the way development costs are treated in computing percentage depletion. Other proposals, relating to capital gains and the aggregation of properties, would add at least another $80 million to the industry's tax bill. No estimate has been made of the additional taxes expected from the proposed changes relating to foreign operations.

Industry sources have disputed the figures the Treasury has given. The real cost of the program is buried in the internal economics of hundreds of oil firms. But the consensus is that the total bill will greatly exceed $280 million. Regardless of the real cost, the net effect of the proposals would be to lower the effective rate of percentage depletion, raise the industry's taxes, and reduce its profits.

One Effect: Higher Prices

While there are differing opinions as to the precise effect of these proposals, there is general agreement that a slackening pace in the face of steadily rising needs could ultimately lead to domestic shortages and increased consumer prices for petroleum products, thus reducing any gain consumers may get from a tax cut.

Treasury Secretary Dillon recognized this possibility in a recent television interview when he acknowledged that *"there could be no doubt that gasoline and all the products of the oil industry would have to be priced somewhat higher,"* if percentage depletion were changed.

Since the pending tax program would effectively change the available percentage depletion, there would be increases. But there is a large body of evidence that indicates that, by themselves, price increases cannot be expected to adequately compensate for substantial alterations in the industry's tax structure. This aspect was thoroughly explored by the President's Materials Policy Commission that reported in 1952:

"Because of the past erratic price behavior of minerals and the long interval between initial investment and yield from production, the Commission concludes that incentives provided through the price structure are unlikely to bring about enough exploration and development to meet national needs for domestic production of scarce minerals."[1]

Of course, the adverse effect of the proposed change on the nation's consumers might be partly offset by increased imports and a growing dependence on foreign-controlled petroleum production—which would cause a greater outflow of gold.

This increased dependence on crude imports, however, would include an implicit threat to the security of the United States. In the event of war, there would not be adequate time to search for and develop enough oil to assure victory. In very large measure, success in two major wars within a generation rested upon our readily available domestic supplies of petroleum products. In other emergencies, such as the Suez Crisis of 1956, the ability of the Western Hemisphere to supply the oil required by Europe may well have been decisive in preventing the development of a costly war.

Against the National Interest

Placing an additional economic burden on United States oil companies would most certainly work against the national interest. And this is particularly true at a time in which the Soviet Union is trying to capture free world oil markets now competitively held by American concerns. For a decade our worldwide oil companies have been under increasing pressure from Russian oil—cut-rate oil that is being exported to the West in an attempt to undermine the economic foundation of free nations. As a corollary benefit, the Soviets have increased their foreign credits with their cut-rate sales, and this has given them an opportunity to obtain essential industrial goods.

Depletion and the related tax provisions now under study have been built into the industry's economics over a long period of years. A change, particularly at this time, would necessitate substantial adjustments in the industry's financial structure that would be translated into severe dislocations throughout the economy. Petroleum costs to industry, the farmer, the consumer would go up; demand for materials and labor employed in drilling would go down.

A change would also hurt our chances for future progress, weaken our defensive might, and hamper us in our competition with the Soviet Union.

The nation might be better served were the Administration and the Congress to look for ways of cutting the cost of government instead of undercutting a cornerstone of our economy.

Conclusion: Consider Any Changes Carefully

Americans should seriously consider the potential consequences to our economy and security that could result from implementation of the petroleum-related tax changes now before Congress.

We must also be alert to the very important role that the oil and gas industry plays in the generation of tax revenues for federal, state and local governments. This role is, perhaps, not as generally understood as it should be. In 1960, for instance, statistics from published sources indicate such revenues were in excess of $7.5 billion. This is over 40% more total revenue than that generated for the same levels of government by any other industry. Petroleum alone generates 6.7% of all taxes collected in the United States.

It is our observation that the most careful consideration should be given before anything is done which might adversely affect the economics of this vital industry and endanger its continuing ability to contribute so materially to the strength of the nation.

*Robert B. Anderson, Secretary of the Treasury, 1957-1961, in testimony before the House Appropriations Committee.

1 Report to President Harry S. Truman, June, 1952.

NSTA NOTES

PITTSBURGH SECURITY TRADERS ASSOCIATION

The Pittsburgh Securities Traders Association will hold their annual spring outing on Friday, May 3, 1963 at the Oakmont Country Club the scene of the 1963 National Open Golf Tournament. The association is looking forward to seeing many of its out of town friends and guests. Reservations may be made with either John Hoy at Parrish Co. or Robert Woeber at Arthurs Lestrange.

Nominations for NYSE Board

Henry M. Watts, Jr., a senior partner of Mitchel, Schreiber, Watts & Co., has been renominated for a second one-year term as Chairman of the Board of Governors of the New York Stock Exchange.


Henry M. Watts, Jr.

The Nominating Committee, headed by Joseph McM. Hinshaw, Jr., of Watling, Lerchen & Co., nominated five new Governors and renominated four present Governors, all for three-year terms. The new nominees are: D. Frederick Barton, a partner of Eastman Dillon, Union Securities & Co.; Gustave L. Levy, a partner of Goldman, Sachs & Co.; Harry C. Piper, Jr., a partner of Piper, Jaffray & Hopwood (Minneapolis, Minn.); Albert Pratt, a partner of Paine, Webber, Jackson & Curtis (Boston, Mass.); and Milton R. Underwood, President and Director of Underwood, Neuhaus & Co., Incorporated (Houston, Texas).

Mr. Barton, who has been Managing Partner of Eastman Dillon since 1952, joined the firm at its Philadelphia office in 1925. He moved to the New York office in 1933 to head the firm's trading operations and became a general partner in 1944. Mr. Barton is a director of Food Fair Stores, Inc., Getty Oil Co. and Progress Manufacturing Co., Inc.

Mr. Levy has been with Goldman, Sachs since 1933 and has been a partner since 1945. He is a member of both the New York and American Stock Exchanges, and served in 1962 as Chairman of the Special Committee for the Study of the American Stock Exchange. His directorates include Diebold Inc., Witco Chemical Co., May Department Stores and the New York Telephone Co. He has served as President of the Federation of Jewish Philanthropies of New York, as a director of Lincoln Center for the Performing Arts, as President of Mount Sinai Hospital, and as a member of the Board of Visitors of Tulane University.

Mr. Piper has been associated with Piper, Jaffray & Hopwood since 1946. He was a Governor of the Association of Stock Exchange Firms from 1952 to 1958 and served as Vice-President of the Association in 1958. He is a director of Truax Traer Coal Co., Wayne Knitting Mills and Superior Separator Co. He is a former officer and Governor of the Twin City Bond Club and has served on several committees of the Investment Bankers Association.

Mr. Pratt, who joined Paine, Webber, Jackson & Curtis in 1945, left that firm for three years from 1954 to 1957 to serve as an Assistant Secretary of the Navy by appointment of President Eisenhower. An attorney, he served as counsel for Paine, Webber in his first years with the firm, becoming a general partner in 1950. He is a member of the Investment Bankers Association and the Bond Club of Boston.

Mr. Underwood, a member of the Exchange since 1955, was one of the founders of Underwood, Neuhaus & Co. in 1948. He is a former Governor of the Investment Bankers Association, a Trustee of Vanderbilt University, a member of the Board of Regents of the University of Houston, a Governor of Rice University, and Chairman of the Houston Research Institute connected with the University of Houston.

Renominated as Governors were: Richard M. Crooks, a partner of Thomson & McKinnon; Stephen A. Koshland, a partner of Carl M. Loeb, Rhoades & Co.; John J. Phelan, a partner of Nash & Co.; and Robert J. Lewis, a partner of Estabrook & Co.

Total membership of the Board is 33, including the Exchange's President, Keith Funston, and three Governors not connected with the securities industry who are appointed as representatives of the public. Elections will be held on May 13, and the new Board will take office on May 20.

Renominated as Trustees of the Gratuity Fund, from which payments are made to the families of deceased members of the Exchange, were: William K. Beckers of Spencer Trask & Co. and John Rutherford of John Rutherford & Co.

The 1963 Nominating Committee also proposed the following to serve on the 1964 Committee:

Andrew J. Corcoran of Carreau & Company; Alfred J. Coyle of Hayden, Stone & Co. Incorporated; Richard C. Dube of Carl H. Pforzheimer & Co.; Robert M. Gardiner of Reynolds & Co.; William D. Kerr of Wertheim & Co.; N. Matthew Nilssen of J. A. Hogle & Co.; Stephen M. Peck of S. M. Peck & Co.; T. Edwin Pereyra of Kidder, Peabody & Co.; and Richard H. Smith of G. H. Walker & Co.

In addition to Mr. Hinshaw, the 1963 Nominating Committee included:

John J. Anglim of W. E. Hutton & Co.; Robert H. B. Baldwin of Morgan Stanley & Co., Committee Secretary; James F. Keresey of Baker, Weeks & Co.; Robert Lief of Scheffmeyer, Werle & Co.; Austin J. Lyons of Francis I. du Pont & Co.; Blancke Noyes of Hemphill, Noyes & Co.; Charles J. Stava of Beauchamp, West & Stava; and Kenneth R. Williams of Williams, Olivo & Holahan.

The Secondary Market for State and Municipal Bonds

Continued from page 7

bonds carrying a higher coupon rate. Liquidation and reinvestment for tax loss purposes also add to the mobility of bank investments.

Thirty billion, five hundred million, dollars or 38% are owned by *individuals and trusts.* Here again low interest-bearing bonds are continually being weeded out in a search for current income and for tax loss purposes. Switches from stocks into bonds, from bonds into stocks and within the bond market itself, switches between Governments and Corporates and tax-exempts are becoming more prevalent as the individual or trustee adjusts his investment philosophy to the times or as his tax status changes.

Normally, securities purchased by *insurance companies* (holding about 17% of outstanding bonds) are apt to be retained for a comparatively long period. However, rising equity values make it tempting for these institutions to take profits on stocks and to balance these profits by taking losses on low-coupon State and Municipal bonds purchased only a few years ago. The confusion created by recent complex legislation intended to regulate the tax status of insurance company investments has also influenced many of these companies to rearrange their holdings.

It is a common thing for States and Municipalities to be restricted to Government bonds and their own obligations or obligations of other intra-state municipalities in the investment of Retirement and Pension funds. However, in many instances these restrictions are now being removed, making it expedient to replace their State and Municipal holdings with higher-income-producing corporate bonds since these funds get no benefit from the tax-exempt status of the former.

Other than pointing out the obvious fact that at today's tax rates the individual in a high tax bracket or a corporation subject to the 52% rate is having a hard time finding investments as productive as tax-exempt State and Municipal bonds, the tax columns in the accompanying tabulations haven't too much bearing here so let's pass them over at this point. Showing the 1% top corporate and 7% top individual rates in 1913-15 may be taken as a bit of nostalgia, or possibly comic relief.

Secondary Market As a Source of Profits for Dealers and Dealer Banks

So far as I know, no comprehensive survey has ever been made of the volume of business done by dealers in the Secondary Market and the profits derived therefrom, as compared with volume and profits from the Primary Market. Perhaps the study of Investment Banking now being made by the Wharton School will turn up some interesting data in this connection. Meanwhile a spot check has revealed that operations in the Secondary Market account for a surprisingly large percentage of both volume and profits—40% to 50% is not uncommon—one large dealer bank reports that in both 1960 and 1961 over 50% of both volume and profits in their bond department came from Secondary Market operations.

Increasing emphasis on the Secondary Market is logical in view of the feverish competition for new issues with resultant dwindling hoped-for profit margins and increasing exposure to losses because of frequent overpricing.

Another inducement is the greater degree of flexibility inherent in Secondary Market operations compared to new issue underwriting. With no price restrictions imposed by underwriting agreements (except in Secondary Market joint accounts, which will be mentioned later) the dealer is in a position to jump fast in either direction.

Still another advantage comes from the fact that the dealer is in a position to follow his own convictions as to proper pricing, whereas as a participant in new issue syndicates he is often confronted with the choice of going along with what he might consider an unrealistic bid set by a majority of his account members or of dropping out of the account. In this situation, most dealers are inclined to be cooperative and remain in the account, sometimes resulting in a bad commitment which would not have been taken on independent judgment.

Marketing Methods—Secondary Market Bonds

An investor desiring to dispose of a block of bonds has a choice of a number of selling methods. If the amount is not large, his best bet is to place the bonds in the hands of a trusted and reputable dealer for sale at the best bid obtainable—or he may want to obtain competitive bids from a number of such dealers.

If the amount of bonds involved is large, he can follow this same course or resort to any one of the following procedures:

(1) Give a selling order to a selected dealer on an agency basis at a stated price, permitting the dealer to choose his own method of accomplishing the sale.

(2) Enter into an agency contract with a selected dealer with instructions to advertise the bonds for competitive bids over the dealer's name.

(3) Give a selling order to a dealer with instructions to place the bonds in the hands of a municipal bond broker to sell at the best bid.

It has also become an accepted practice for dealer-banks to advertise portfolio bonds for competitive bids over their own name in publications having a wide circulation among dealers.

Which method will prove the most effective will depend on the degree of urgency, whether the bonds involved have a national market or a narrow local market, and various other circumstances.

Growing Responsibility of Dealer Trading Departments

I hope we have established the fact by now that Secondary Market operations constitute a very substantial part of the municipal bond business. It follows, then, that so-called dealer "Trading Departments" and "Traders" should be accorded a proportionate degree of recognition. Up until this point I have purposely refrained from using these terms, because it seems to me that they are not fully descriptive. "Secondary Market Departments" and "Secondary Market Specialists" would be more appropriate.

I am referring now to those departments and individuals bearing the final responsibility of commitment and placement, and not to those whose principal function is to provide a quotation and execution service more nearly deserving of the trading appellation.

The degree of acumen, good judgment, market sense, and knowledge of credits required in this field is comparable to that required in the successful operation of an underwriting department. In addition, the individual taking on a commitment in the Secondary Market must act on his own judgment without the benefit of an exchange of views available to members of underwriting syndicates, except of course when he is a member of a joint Secondary Market account.

Joint Trading Accounts

Blocks of bonds frequently come into the market in sufficient size to justify the formation of a joint account among dealers, which operates under the same general principles as a new issue underwriting account, except that the terms of the agreement are often much less formally spelled out. Sometimes only a verbal agreement exists. Because of the generally high level of moral responsibility among dealers, these loose arrangements usually work out very well. However, here and there a few dealers are prone to take certain liberties as a member of a secondary joint account which they would probably not take as a member of an original underwriting account. A number of secondary joint account managers are now using the same type of formal agreement which is used to confirm new issue accounts, or they are using a brief confirming letter with a tie-in phrase to an attached formal underwriting agreement. This acts at least as a psychological deterrent against taking the agreement too lightly.

Trading Techniques

Now we come to a few practices that could stand some improvement. There is no doubt that the code of ethics and sense of fair play in this business generally are of a very high order. When you consider the thousands of verbal contracts entered into daily, involving millions of bonds, among people scattered all over the country who quite frequently are not even personally acquainted, and the almost complete absence of repudiation, it is nothing short of remarkable. However, no business can be 100% perfect and there are certain techniques employed now and then which it would be better to avoid.

Shopping the Bid

Some of the most annoying deviations from sound trading practices occur under the general heading of "Shopping the Bid." For example, a dealer owning a block of bonds requests bids from a number of other dealers or a municipal broker, implying that the highest bid received will be accepted. Then, instead of accepting the high bid, he uses it as a tool to solicit a better price. Or supposing he follows the same procedure with respect to bonds which he does not own but which he knows are for sale to the highest bidder, then uses this valuable market information to purchase the bonds for his own account. He may pay the seller a price equal to or even slightly higher than the best bid received and let his conscience rest on the knowledge that his customer has gotten top market price, but that should not blind him to the fact that he has misused the market knowledge gathered from his business associates and has probably borrowed heavily upon their good will.

Taking Undue Advantage of Firm Offerings

Granting of options is another area where violations of desirable practices can occur. When a firm offering is requested, and granted, for a stated length of time and at an agreed-upon price, there are certain implied considerations and obligations on the part of the dealer to whom the option is granted that are some times not fully understood or complied with. The owner of the bonds sacrifices whatever opportunities he might have to sell his bonds to other parties for the duration of the option and in consideration for this, if the option is exercised it should be without any further arguments as to price or a request for an additional dealer concession. The time for price discussions is at the time the option is granted and not at the time it is exercised. Of course, there may be times when an attempt at price re-negotiation genuinely reflects a lower basis price idea on the part of a retail account. In that case there is no alternative to releasing the option with a frank explanation to the owner of the bonds — in the hope that something can be worked out.

Unless otherwise understood, it is generally assumed that firm bonds are requested to promote a retail sale, and that the bonds will not be shopped among other dealers, in the hope of buying the bonds at an additional concession if a dealer order can be obtained at the option price.

Formation of Secondary Accounts By Members of Primary Accounts

Sometimes primary market bonds become a part of the secondary market through processes described by the following illustrations:

Assume a $5,000,000 joint account with the manager and two other account members each having a $1,000,000 participation and four other members each with $500,000 participations, the majority in interest clearly resting with the three major members. Suppose also that the market is growing weaker and after a period of selling effort a good amount remain unsold. The members receive word from the manager that there is a *quote* "Bid coming to the account" at a price considerably under the offering price and a poll of account members is being taken as to whether to accept or reject. Some members consider the bid too low and vote against the sale. A few days later these same bonds appear as a secondary offering under the names of the three major participants, revealing for the first time to the other members that the "bid coming to the account" came from the manager and enough other account members to constitute a majority in interest. Technically such action is within the terms of the customary syndicate agreement, which states that "The bonds may be offered upon terms from time to time determined by the members, including the manager, having a majority interest in the group." From an ethical viewpoint this procedure seems indefensible. All members should be advised if the bid is coming from certain account members for the purpose of forming a secondary account, and those who vote against acceptance should be given an opportunity to either participate in the new secondary account or to withdraw their liability before the transaction is completed. Of course anyone who votes for acceptance has no complaint coming.

Or assume the following situation: Dealer A is a member of a certain syndicate and as such is entitled to take bonds down out of the account at the takedown concession, reserved only for members of that account. Any dealer not a member of the account is of course entitled to only the *dealer* concession, which is less than the *members' takedown* concession. Dealer A thinks these bonds are undervalued at the offering price, so he withdraws bonds at the takedown concession, but at the same time invites dealers B, C, and D, who are not

Complete North American Offering

H. P. Skogland, (left) President, North American Life and Casualty Company, receiving checks totalling over $18,000,000 from Alan T. Wenzell, (right) partner of Paine, Webber, Jackson & Curtis, investment bankers in connection with the public offering of 1,000,000 shares of North American's common stock.

account members, into a secondary account to share the commitment at the takedown concession. It seems pretty obvious here that Dealers B, C, and D are getting the benefit of a special price allowance to which they are not entitled as non-members of the original account, and that this is a violation of the account agreement. Of course if Dealer A takes down the bonds and holds them until the agreement expires and price restrictions are removed, he has a free market in which to operate and can parcel out his bonds at whatever price he chooses.

Piecemeal Offerings

It is well known that in making a bid for bonds the amount involved is an important factor and this observation brings us to the subject of piecemeal offerings. Let's say a dealer has a market selling order with a short time limit on a large block of bonds in the midst of a nervous market and is fully aware of the probability that for this particular type of bond any bid for the entire block would be lower than the bids he could get for a lesser amount. In view of this he decides to feed the bonds to the market in smaller amounts, with no disclosure of the total amount involved.

This might or might not produce a better average price, but what about the reaction of the purchasers of the initial offerings, and their attitude toward future offerings from this particular dealer? There is a sort of grey line here between the dealer's responsibility to his client and to the potential purchasers, but it would seem that a policy of candor in these situations when at all feasible would ultimately work to the advantage of both buyer and seller.

It is not the intention here to over-emphasize these infrequent departures from normal business practices. They are mentioned with the thought in mind that open discussion might help to prevent any relaxation in the effort to maintain the high standards everyone has come to expect as a matter of course from the Investment Banking Industry.

*An address by Mr. Wehrheim before the Institute of Investment Banking, Investment Bankers Association of America, Wharton School, University of Pennsylvania, March 19, 1963.

National Securities & Research Names Five Vice-Presidents

National Securities & Research Corporation has announced the election of James G. Sheridan, Leighton H. Borin, Thomas P. Fuller, Thomas W. Anthony, and William G. MacDonald as vice-presidents of the firm.

James G. Sheridan

Leighton H. Borin

Thomas P. Fuller

Thomas W. Anthony

W. G. MacDonald

Mr. Sheridan will make his headquarters in New York City, working with Walter J. Smith, vice-president in charge of the Metropolitan New York territory. Prior to joining National in 1959, Mr. Sheridan was with Kidder, Peabody & Co., and Texaco Company.

Mr. Borin will be headquartered in the office in the Baker Building, Minneapolis.

Mr. Fuller will work with Mr. L. L. Moorman, vice-president in charge of the Southern Territory, covering the states of Alabama, Georgia, Louisiana, Mississippi, Tennessee and parts of Arkansas. Mr. Anthony will cover Texas, Oklahoma and parts of Arkansas.

Mr. MacDonald will work with Ira Jones, vice-president in charge of the New England territory.

The Paper Industry As an Inflation Hedge

By Roger W. Babson

Today's inflation hedge article on the timber-paper-plywood natural resources area marks the third and concluding consecutive weekly series on the subject. Mr. Babson names some of the leading companies in this field and briefly describes their operations. The financial writer foresees long-run, gradual inflation for the U. S. A. but warns of short-run stock market booms and busts, and of taxes levied on timber and other land resources.

Let me repeat: Inflation is a very tricky word. Most natural resources which I have mentioned in this column the past few weeks are helped by inflation. However, most railroads, public utilities, and corporations whose income is largely fixed by government and state commissions are handicapped by inflation. Therefore, wise investors should balance their portfolios so they will not be hurt—whether inflation comes or not. Personally, with the constantly growing government debt, I think the U. S. is headed for inflation; but it will come about gradually. If, however, speculators temporarily run up stock prices too soon in advance, beware of a market collapse to follow. Also, readers should remember cost of taxes when buying timber or other real estate.

Timberland Is a Good Investment

The primary asset of the paper industry is the millions of acres of land and growing timber they own. Most of the timber properties lie in remote regions of the U. S. and Canada. Timber growth is not circumscribed by union regulations with regard to productivity and length of work week. The trees do not require holidays, vacations, coffee breaks, and the myriad of other fringe benefits. Labor costs are a relatively small proportion of total costs. Book values of these companies are generally understated in relation to realistic timber values. Comments regarding some of the companies in the industry follows. Obviously, the list is not intended to be all inclusive.

St. Regis Paper Company owns or controls over 5 million acres of timberland in the U. S. and Canada. It is a highly integrated producer of many products, including kraft and wrapping papers, containers, printing paper, pulp, lumber, and even packaging machinery.

Kimberly-Clark Corporation is the largest producer of cellulose wadding, and is a leading manufacturer of book and printing paper, napkins and towels, and cigarette and other specialty paper. Its affiliated companies produce newsprint. Kimberly is a highly integrated organization and controls some 11 million acres of timberland in the U. S. and Canada.

Favorites Among the Papers

The largest American manufacturer of newsprint is **Great Northern Paper Company.** Company's mills and some 2¼ million acres of timberland are concentrated in the State of Maine. While worldwide excess capacity in newsprint production has created problems, company has expanded modernized facilities and is placing increasing emphasis on specialty papers.

Scott Paper is heavily concentrated in the consumer-goods field, as an important producer of tissue, napkins, towels, wax paper, etc. Aggressive advertising and promotion have made Scott a leading brand name. Company owns valuable timberland (it is self-sufficient in pulp requirement); and has a wonderful retail distributing organization.

Plywood Industry Is Growing

Despite intense competition in the plywood field, the growth of **U. S. Plywood Corporation** has been remarkable. Because of its wide distributing facilities throughout the U. S. and Canada, company is considered to be more of a seller than a manufacturer. In addition to distributing plywood, it sells doors and other timber products to the building trades. It maintains extensive timber stands on the West Coast, in New England, various South Atlantic states, and Canada.

The largest expense in house building today is labor. Plywood manufacturers are doing much to reduce labor costs. Another development to accomplish the same end is the building of "shell" homes, which my friend Jim Walters of Tampa originated.

The State of TRADE and INDUSTRY

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

The latest assessment of business conditions by the First National City Bank of New York reported on the growing expectation of continuing moderate expansion dwarfing the view of those observers taking an opposite tact.

The April *Monthly Economic Letter*, a monthly publication of the Bank, pointed out that "Winter has passed and spring has arrived without the business slump so widely feared last summer. It is true that the Bureau of Labor Statistics' unemployment rate edged up to 6.1% in February, compared to a 5.6% average for the year 1962. It is also true that stockpiling of steel, raising March production of the metal to an annual rate around 115 million tons, is adding a spurious element to industrial activity. Nevertheless, counterbalancing favorable forces are undeniable: a projected further increase in business spending for plant and equipment, the maintenance of employment at a record level, and new peaks for retail trade. The impression in the investment community is that corporate profits for the first quarter will show no more than a seasonal decline from the good results of fourth quarter 1962. This would tend to corroborate expectations of a slowly rising curve of plant and equipment spending.

"Figures for February, when adjusted for recurrent seasonal fluctuations, show a picture of broadly sustained levels of activity. Retail sales for the month, as in January, ran 7% ahead of the corresponding period of 1962. New car sales through March 20 maintained a 13% lead over 1962. People keep adding to their savings accounts, and thus indirectly are helping to finance construction activity, state and local government outlays, and business borrowings. At the same time, they themselves have not been reluctant to borrow for specific purposes of buying homes and cars. Suspicions that some persons may be anticipating tax cuts, and spending ahead, cannot be confirmed although there is no question but that failure of action on taxes would have an unfavorable reaction.

"The Federal Reserve index of industrial production (seasonally adjusted, 1957-59=100), at 119.1 for February, held within the remarkably narrow band of 118.9 to 119.8 that has prevailed now for eight months. Likewise, employment shows a sideways pattern on a seasonally adjusted basis; except for a dip in November, the total (including the armed forces) has held close to 71 million for seven months dating back to August.

Recession or Advance?

"Businessmen and economists have the challenging task of evaluating the risks and probabilities of a business recession. Officials of the Administration, from the President down, have warned that the period of business expansion, dating from the last cyclical low point in February 1961, is two years old. It may be observed that, in the eight peacetime cycles since 1919, the economy on the average has turned down after 28 months of expansion. Yet business fluctuations have never been evenly rhythmical, either in durations of time or amplitudes of fluctuation. The average cycle is one that never happened, an average of different sizes and shapes.

"Some observers entertain a suspicion that when the statistics are all in, and converted from preliminary to final forms, it may be found retrospectively that business did indeed make a peak sometime this spring or even last winter. But this is far from the commonly accepted view. The general expectation is sustained activity, founded not only on continuing moderate expansion of trade and incoming orders but also on the conservatism of business inventories in relationship to sales and the ready availability of credit. Relatively tight money has preceded most important downturns in activity.

"Expectations that the next phase may be one of renewed advance in production and employment have been strengthened by the latest survey of business plans for plant and equipment spending. The survey by the U. S. Department of Commerce and the Securities and Exchange Commission, indicates that such outlays this year may reach $39.1 billion, 5% higher than the 1962 total of $37.3 billion and 6% above the old peak of $37.0 billion back in 1957. The survey results are supported by corporate announcements of stepped-up investment programs, better rates of new order inflow for machinery builders, and continuing rise in capital appropriations as reported by Conference Board—Newsweek tabulations.

The Investment Lag

"For several years now, the pressure of under-utilized capacity in certain lines has fostered competitive price shaving and has blunted management's desire for additional capital investment. However, the economy appears to be gradually growing up to the capacity installed in the capital-spending boom of 1955-57 which followed the 1954 tax reductions. Moreover, with the high cost of labor as well as sharply competitive conditions in most markets, business managements are under pressure to improve cost controls and to minimize work forces by investment in modernized labor-saving equipment.

"While investment to save on labor utilization may reduce employment, the process of investment actually enlarges employment opportunities. This is apparent when one considers that it typically takes years for a company to get back, through current cost savings, the money spent on cost-reducing investment. The investments themselves largely go to meet payrolls in capital goods industries.

"Even though prospective plant and equipment spending for 1963 will achieve a record level, the rate of investment is a source of dissatisfaction to the Administration. Viewed in perspective of the total economy, business fixed investment in producers' durable goods and private nonresidential construction has been lagging for years. This is brought out in the chart which compares business and consumer investment since 1947, with the influence of rising prices eliminated by deflation of the figures into 1954 dollars.

"In 1962, after adjusting for price inflation, business fixed investment was lower than it was in 1956 or 1957 and only 27% greater than it was 15 years earlier. Consumer expenditures for durable goods and homes were up more than one-fifth in the past five years and approximately doubled over the 15 years, 1947-62.

"This analysis supports the businessman's point that the emphasis in reforming taxes should be on incentives to produce, invest and offer employment. This is the kind of a tax bill we will have to have if we are to achieve the objectives of invigorated economic growth and fuller utilization of our labor force without precipitating a wave of inflation and a worsening of our international balance-of-payments position.

"The hope in the business community is that the Congress, in fashioning tax legislation, will keep its eye on the goal of strengthening incentives and avoid being distracted by political considerations into giving up revenues on a massive scale for the sheer purpose of inflating amounts of money looking for goods to buy."

Bank Clearings Advance 6.2% 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, March 30, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 6.2% above those of the corresponding week last year. Our preliminary totals stand at $31,411,687,235 against $29,583,777,486 for the same week in 1962. Our comparative summary for some of the principal money centers follows:

Week End. Mar. 30—	1963 (000s omitted)	1962 (000s omitted)	%
New York	$17,669,603	$16,898,672	+ 4.6
Chicago	1,303,824	1,261,824	+ 3.3
Philadelphia	1,159,000	1,119,000	+ 3.6
Boston	891,397	851,654	+ 4.7
Kansas City	500,652	470,663	+ 6.4

Steel Rise of 2.4% Over Prior Week Marks Ninth Weekly Gain In a Row, and Is Only 1.2% Below Year-Ago Week

According to data compiled by the American Iron and Steel Institute, production for the week ended March 30 was 2,387,000 tons (*128.1%), as against 2,330,000 tons (*125.1%) in the week ending March 23. The week to week output increased 2.4% and it was the ninth consecutive weekly gain and the highest output since the year-earlier week.

This ninth consecutive weekly increase is attributed to an advancing current use demand for steel as well as a growing undercurrent of hedge-buying against a possible steel strike. Not since the seven weekly advances in a row ending Feb. 17, 1962, has there been a comparable sustained consecutive rise.

So far this year — through March 30 — the output of ingots and castings has totaled 26,808,000 net tons which is 13.5% below the Jan. 1-March 31, 1962 production of 31,002,000 net tons (*128.0%).

Data for the latest week ended March 30 show production is only 1.2% below last year's week output of 2,417,000 net tons (*129.7%).

District—	*Index of Ingot Production for Week Ending Mar. 30	Mar. 23
North East Coast	120	115
Buffalo	130	123
Pittsburgh	121	117
Youngstown	120	114
Cleveland	148	147
Detroit	168	171
Chicago	132	133
Cincinnati	134	122
St. Louis	115	120
Southern	119	112
Western	128	124
Total industry	128.1	125.1

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

April Will Be Best Month for Steelmakers in Over a Year

Strong demand from customers who fear a strike and from those whose needs are expanding seasonally will make April the best month steelmakers have had in over a year, *Steel* magazine said.

Ingot production will be close to 10.6 million tons, 5% more than last month's output and 15% more than that of April, 1962. Shipments will approach 7.6 million tons and be the largest since those of March, 1962.

The tenth consecutive increase in weekly steel ingot production is forecast for this week. Output will exceed the 2.4 million tons that *Steel* estimated the industry poured last week. The operating rate is 78% of unofficial capacity. Production is nearly 30% higher than it was in late January when the uptrend started.

The over-all scrap market is not displaying much strength, but *Steel's* price composite on No. 1 heavy melting grade rose 67 cents to $28.67 a ton last week, reflecting a $3 jump at Pittsburgh. A year ago, the composite was at $31.67.

Autos, Rails, and Fabricators Boost Orders

Steel business is improving across the board, but demand is still concentrated in the flat rolled products. As backlogs mount, steelmakers are quoting longer deliveries.

Automakers and their suppliers are buying heavily to keep pace with booming production schedules and bolster inventories of sheets, hot rolled bars and semi-finished steel for forging.

Fabricators are boosting orders for plates and structurals to meet expanding seasonal requirements and protect themselves against the threat of a summer strike.

Railroad carbuilders are giving standard structurals a much needed lift as canmakers take more tin plate and contractors increase orders for reinforcing bars, pipe, and wire mesh.

Less Strike Worry Behind Orders

Although most users are concerned about the possibility of a strike, they are less concerned than they were during last year's period of uncertainty. That is obvious from the plans they are making.

A leading electrical equipment manufacturer will wait until May before taking extra steel.

A major oil company announced its decision not to hedge. Demand for oil country goods has picked up in the last few weeks, but only because users have not had enough tubing, casing, and drill pipe on hand to support a moderate upswing in production. If there is any hedging, the mills will do it.

Canmakers told *Steel* that they are not building inventories of tin plate and that they are not planning to place additional production orders. "We'll cross our bridges when we come to them," says one buyer.

Industry sources do not expect the United Steelworkers of America to make an early decision on reopening the contract (it can't be reopened officially until May 1). If the union decided not to reopen as of now, about 25% of the tonnage on mill order books would be washed out, some people estimate.

Steel Industry Profit Per Sales Dollar Lowest Since 1945

Profit per sales dollar in the U. S. steel industry last year was the lowest since 1945, a tabulation by *Steel* magazine revealed.

In 1962, net profit per dollar of sales was 4.05%. It was 3.06% in 1945 (a period of wartime government price control).

Dollar volume of net profits was the lowest since 1952. The profit squeeze was so pronounced in 1962 that even a rise in shipments and dollar volume of sales failed to halt the several-year decline in net profits.

The industry's 1962 net profit approximated $582,700,000 compared with 1952's $541 million. The 1962 figure was 18.4% below 1961's $714,450,000. And 1961's total was 14.2% under 1960's.

Net profit per share of common stock averaged $2.19 in 1962 versus $2.73 in 1961. The decline stemmed not only from the drop in net profit but also from a slight increase in the number of common shares outstanding.

The economic squeeze on the steel industry reached employees too. The industry had about 13,350 fewer employees in 1962 than it did in 1961. Steel production has been practically unchanged in each of the last three years, yet steel industry employment has dropped 10% (or 81,000 jobs) during the period.

Despite the decline in the number of employees last year, employment costs edged up 2.3%, attributable mainly to the increase in fringe benefit payments last year. Wage rates were unchanged. (They went up Oct. 1, 1961.)

These industry totals are based on the performance of 34 companies that produced 94% of the steel made in the U. S. last year. The tabulation of their performance will appear in the April 8 issue of *Steel*.

While ingot production in 1962 was about the same as 1961's, mill shipments rose almost 7%—due to an inventory reduction by the producers.

Price Softening and Depreciation Hit Profits

Net sales rose 5% — but not quite as much as shipments, a reflection of a price softening.

The decline in net profits was not solely the result of price softening or even a common constriction on profit making. A significant factor was government action that allowed companies to accelerate their chargeoffs for depreciation.

Taking advantage of the gov-

Continued on page 42

Where Critics of the OTC Err in Finding Fault

By Samuel Weinberg,* *President, New York Security Dealers Association, and President, S. Weinberg, Grossman & Co., Inc., New York City*

The invidious distinctions being made about the Over-the-Counter Market, vis-a-vis the securities industry of which it is part and parcel, compels Mr. Weinberg to set the record straight as to where fault-finding should be directed in re abuses recently uncovered by the SEC. The NYSD head proudly reports on self-regulation strides taken, publication of quotations with newspaper cooperation, and the Association's dedication to the goal of maintaining fair and reasonable markets for Over-the-Counter issues since the inception of the NYSD.

Thirty-seven years ago, in 1926 the New York Security Dealers Association was organized to protect the Over-the-Counter market and the public interest.

Samuel Weinberg

This effort of self-regulation was a success from the outset. At the time there was no Uniform Practice procedure nor newspaper publicity of daily Over-the-Counter quotations.

The association immediately established a Committee for Uniform Practice rulings. While these rulings were binding only on the members of the association they were adapted generally by the securities industry throughout the nation.

Obtaining Newspaper Coverage

A Committee on Quotations was formed which succeeded in obtaining the cooperation of the newspapers and the wire services to publicize Daily Over-the-Counter quotations. The problem of white space was pleaded then by the newspapers for their inability to list a greater number of issues. This still continues to be a problem, despite their recent expansion, and is the reason why even today the publicity given Over-the-Counter quotations is still not adequate. We have always found the press and wire services most cooperative, and we have a full appreciation of the white space problem.

The New York Security Dealers Association continued the functions of Uniform Practice and newspaper quotations for 13 years until the NASD was formed in 1939, when we turned these functions over to the NASD.

There is confused thinking on the part of some as to what the Over-the-Counter market is, and how it operates. I need not dwell on the fact that the Over-the-Counter market pre-dated the exchanges and that it is more heterogeneous and larger than all the stock exchanges combined.

Today's Misunderstanding

The lack of understanding of the purpose of the Over-the-Counter market may be attributed to the fact that a great many people associate the Over-the-Counter market with all securities transactions not effected through the exchanges. The purpose of the Over-the-Counter market is simply to provide a responsible medium through which both unlisted and many listed issues may be bought and sold—thus adding the essential element of liquidity to securities which otherwise might become frozen assets.

As many know the securities industry is composed of stock exchange trading, underwriting and Over-the-Counter trading. The securities industry must be considered as a whole, because only a small segment of all broker-dealers do not participate in exchange trading, underwriting and Over-the-Counter trading.

Responsibility of the Industry

The abuses that led to the current SEC investigation were participated in by firms large and small spread throughout the industry. The whole industry must take responsibility.

Even some of the most reputable firms in the industry became embroiled and were accused of the malpractice of misrepresentation and manipulation. And, because most of the malpractice complained about was in new and sometimes questionable underwritings, the stocks of which were not registered on exchanges, many people confuse those operations with the established Over-the-Counter market. Accordingly, there is a tendency at the moment, on the part of some, to look askance at Over-the-Counter issues regardless of their known values.

I don't have to report in detail that the shares of hundreds of leading banks, insurance companies, utilities and industrials are handled in the Over-the-Counter market. Many of the stocks traded in the Over-the-Counter market **today** are the shares that will be traded on the exchanges **tomorrow.**

So, when those who choose to damn the Over-the-Counter market and Over-the-Counter trading houses they are in fact making an attack on practically the whole securities industry including, exchange, underwriting and Over-the-Counter houses.

So in conclusion—I would like to assure all on behalf of the members of New York Security Dealers Association, that we will continue to maintain fair and reasonable markets for issues traded in the Over-the-Counter market consistent with the public interest.

*An address by Mr. Weinberg at the 37th Annual Dinner of the New York Security Dealers Association, New York City, March 29, 1963.

Candid Pictures at NYSDA Dinner In This Issue

On-the-spot pictures taken at the 37th Annual Dinner of the New York Security Dealers Association appear in today's Pictorial Section.

N.A.S.D. - A.S.E. Clearing Program

The American Stock Exchange and the National OTC Clearing Corporation have announced plans under which clearing facilities for approximately 1,200 Over-the-Counter stock issues would be furnished by the Exchange's Clearing Corporation on a service basis for the National OTC Clearing Corporation.

Exchange President Edwin D. Etherington, National OTC Clearing Corporation Chairman Carl Stolle and President John H. Kirvin declared that the joint program calls for a pilot operation to be started this summer for approximately 100 issues. The entire program is expected to be running by late 1963.

The National OTC Clearing Corporation was established Dec. 4, 1961, to provide members of the National Association of Securities Dealers, Inc., banks and others participating in the Over-the-Counter market with clearing facilities similar to those enjoyed by Exchange member firm brokers.

Messrs. Etherington, Stolle and Kirvin said a six-month study has shown that the American Stock Exchange Clearing Corporation's experience, personnel and data processing equipment can be effectively used in furnishing this Over-the-Counter clearing operation.

They added that American Exchange members who also do an Over-the-Counter business will be able to speed settlements and lower back-office costs. The dual operation also will provide both the National OTC Clearing Corporation and American Stock Exchange Clearing Corporation with back-up equipment and manpower during heavy-volume periods. The National OTC Clearing Corporation's staff, under the direction of Charles A. Gilroy, Executive Vice-President, will work in conjunction with the staff of the American Stock Exchange Clearing Corporation headed by August Gunther, Vice-President and General Manager.

In the National OTC Clearing Corporation's selection of stocks to be cleared in the new system, a prime factor will be the trading volume in the New York market in a particular stock. However, availability of information with respect to the issuer and other factors will also be considered by the National OTC Clearing Corp.

Early in 1962, the Exchange's Clearing Corporation moved from the Exchange building into larger quarters at 12 Albany Street, where a working area of 11,000 feet is available.

Under the joint program, Over-the-Counter transactions would be matched and offset, payments of net balances would be made and received, and deliveries would be allotted. These steps will minimize the handling of securities.

The American Stock Exchange Clearing Corporation will be reimbursed on a reasonable basis for space, equipment and personnel, as well as for out-of-pocket expenses. A contract covering the new arrangement is presently being prepared.

Iowa Inv. Bankers To Hold Meeting

DES MOINES, Iowa — The 28th Annual Iowa Investment Bankers Association Field Day will be held in Des Moines, Iowa on Thursday, June 27, 1963.

The Wakonda Club will be the site for the program as the Iowa Association plays host to Investment Bankers and Dealers from all sections of the nation. Approximately 150 members and guests are expected to attend. The Association will hold a cocktail party and dinner reception at the Des Moines Club on Wednesday evening preceding the Field Day.

The Security I Like Best

Continued from page 2.

New terminals are being bought or leased in several cities this year. They now own 41 terminals and lease 136.

Transcontinental Bus is appealing because of its modest price earnings ratio and above average yield and because of the many positive factors that should contribute to its future growth.

The company has only a few thousand stockholders but ownership has broadened considerably and is continuing to do so. The company has applied for a New York Stock Exchange listing and could be accepted to trading in the near future.

The curtailment of passenger service by the railroads opens vast markets every year to the bus companies. Poor rail service on package express has helped the bus industry to secure more and more of that lucrative business.

The increasing number of foreign travelers to our country is a boon to this business while the growing population and leisure time, along with the building of new expressways, which have reduced time and added comfort to traveling, will continue to contribute to bus industry revenues.

The company is now generating a cash flow far in excess of its debt requirements and dividends; therefore, freeing funds for new terminal facilities.

We feel the stock is an attractive value and like it for future earnings and dividend growth, and we recommend purchase as a business man's investment.

Transcontinental Bus System stock is traded in the Over-the-Counter Market.

Canada—Continued Progress Featured by Exchange Stability

Continued from page 1

shares generally are far more sought after than a year ago, partly because the dearth of new fields places a premium on known oil reserves in existing ones. The market advances in 1962 in Canadian Oil Companies from $25 to $52½ (the take-over price paid by Shell), and of Royalite from $9 to $16 (in market value of British-American offered in Exchange) indicate how rewarding oil in the ground may be to stockholders. We would rather expect similar performances in the shares of certain other strategically located producing companies in 1963.

Long-range gains in petroleum are illustrated by the fact that in 1926, 70% of Canada's total energy requirements were supplied by coal, and 10% by oil. Today the percentages are 19% for coal and 57% for oil!

Metals and Minerals

Canada has been traditionally renowned for extensive and diverse mineral production. The year saw a new high in the output of nickel; Aluminium, Ltd. produced 730,000 tons of aluminum, an all-time high. The pegging of the Canadian dollar at 92½ cents (U. S.) was a boon to gold miners, increasing the official price of gold by $2 dollars to $37.80 an ounce. Copper companies did well, with Craigmont, a sizable newcomer, turning in an excellent profit statement.

Perhaps one of the most significant mining developments of the year was the active exploration undertaken over broad swaths of terrain in Nova Scotia. This province, except for coal and gold, which have been in declining industrial phases, has not been noted for mineral production. Extensive recent survey and drilling activity by a number of internationally known companies —Consolidated Mining, Dresser Industries, Gunnar of Canada, Phelps Dodge, etc.—has pointed to the possibility of an extensive mineralized region with potentially great stores of commercial grade lead, silver, copper, zinc and some antimony. Recent assays have led to stepped-up drilling activity. Further, the proximity of rich ore supplies, adaptable to low-cost open pit mining, and nearness to year-round ocean seaports open up interesting new horizons to the Novia Scotian economy.

Continued expansion of iron ore properties in Quebec, Labrador and Newfoundland, and substantial increase in hydroelectric power in these areas, are substantial builders of the Canadian economy. This region now has capacity to produce 15 million tons a year of 66% iron ore concentrates.

Forest Products

Timber and wood pulp surged ahead in 1962. Probably the biggest current expansion in this industry is now in British Columbia, where $200 million in new facilities are abuilding, including a $50 million pulp mill by Canadian Forest Products at Prince George. Substantial coming expansion would include the construction of a new 100,000 ton newsprint mill by Price Bros. in Quebec, and projection for 1963 of a 90,000 ton expansion of the Quebec North Shore Paper Plant.

Milestones

Across the board, Canada's business panorama of 1962, (and continuing this year) is an attractive one—motor car production exceeding that of any earlier year; 200,000 new telephones added by Bell Telephone of Canada; landscape-changing new constructions in the bustling cities of Vancouver, Calgary, Toronto, Montreal; $60 billion of life insurance in force; the completion of the Trans-Canada Highway; and $40 billion in Gross National Product—these are some of the milestones of 1962, and the launching pads for 1963.

The Year Ahead

General opinion is that Canada should continue, in 1963, the momentum of progress and profitability built up last year. Two major problems remain to be solved: The need to sustain a growth rate to absorb a rising population into the labor force and to provide an ever-higher standard of living; and the continued need to improve the balance of payment position. Whatever administration is in power must seek, and hopefully find, practical measures for the solution of these problems.

The most puzzling uncertainties of the months ahead will be found in the interaction between the British Commonwealth and the Common market, and in the Canadian elections of April 8, from which a new Prime Minister and a reoriented national policy may emerge.

Favorable Investment Climate

For investors and investment managers, the 1963 economic climate in Canada appears both favorable and attractive, with the trend toward government take-over of utilities, as evidenced in British Columbia, and more recently in Quebec, the most disquieting business and financial phenomenon. Canadian banks continue to be ably and profitably managed with a proper supply of credit available for industrial, commercial and agricultural needs. Major stock exchanges provide respected and animated trading arenas for the increasing number of publicly held equities, both in established companies and in a broad spectrum of newer enterprises — manufacturing, chemical, service, and technological. Canada continues to be one of the most desirable and attractive areas for investment in the Free World.

This attractiveness is exceedingly well documented by the following impressive list of diverse Canadian companies with notable and rewarding records of uninterrupted cash dividend payments to their shareholders for as long as 134 years.

TABLE I

CANADIAN

(Listed and Unlisted)

Common Stocks

On Which
CONSECUTIVE CASH
DIVIDENDS

Have Been Paid From

10 to 134 Years

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦ — Canadian $ § —	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Abitibi Power & Paper Co., Ltd. Newsprint and allied products	14	1.925	41	4.7
Agnew-Surpass Shoe Stores, Ltd. Makes and distributes shoes through 145 store retail chain	29	0.48	14	3.4
Aluminium Ltd Largest producer of aluminum ingot in the world	24	*0.60	19⅛	3.1
Andian National Corp., Ltd. Operates oil pipe line in Colombia, S. A.	19	*0.50	‡	‡
Anglo-Canadian Pulp and Paper Mills, Ltd. Newsprint and allied products	17	2.00	33½	6.0
Anglo-Huronian Ltd. Holding & operating co.—chiefly interests in Can. gold mining	23	0.50	7.25	6.9
Anglo-Newfoundland Development Co., Ltd. "Ord." Newsprint and allied products; also mining interests	18	0.30	8¾	3.4
Argus Corp., Ltd. Investment co.—manufacturing & merchandising interests	16	†0.1929	9⅛	2.1

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
* Dividend paid in U. S. currency.
† Adjusted for stock dividends, splits, distributions, etc.
‡ Inactive issue; doesn't trade.

Canada—Continued Progress Featured by Exchange Stability

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
		— Canadian $ § —		
Asbestos Corp., Ltd. Mining & milling of asbestos fibre	25	1.60	27	5.9
Ashdown Hardware Co., Ltd., J. H., "B" Large wholesale and retail business in general hardware	25	0.27	8⅜	3.2
Atlantic Sugar Ltd. Refines raw sugar cane & produces 50 or more grades & packages of sugar	12	0.675	17½	3.9
Aunor Gold Mines Ltd. Ontario gold producer	22	0.20	3.50	5.7
Auto Electric Service Co. Ltd. new Service distributors of automotive electrical carburetors & auxiliary equipment	16	0.25	4.00	6.3
BANK OF MONTREAL Operates 887 branches and agencies throughout the world ● See Bank's Advertisement on page 21.	184	2.10	65⅞	3.2
BANK OF NOVA SCOTIA Operates 633 branches and sub-offices throughout the world ● See Bank's Advertisement on page 18.	130	2.45	74½	3.3
Banque Canadienne Nationale Operates 598 branches in Canada	81	2.20	72½	3.0
Barber-Ellis of Canada, Ltd. Stationery and printers' supplies	32	5.00	‡	‡
Beaver Lumber Co. Ltd. Lumber & building supply retailer, 271 branches in Canada	19	1.60	36½	4.4
Bell Telephone Co. of Canada Most important telephone system in Ontario and Quebec	82	2.20	53½	4.1
Biltmore Hats Ltd. Men's fur, felt and wool felt hats	29	0.40	b8¼	4.8
Bird Construction Co. Ltd. Engaged in general building and road construction with branches in several cities in central Can.	14	2.80	a53	5.3
British American Bank Note Co. Ltd. Makes bank notes, bonds, revenue stamps and similar items	28	2.50	54	4.6
British American Oil Co. Ltd. Petroleum production, refining, distribution	53	1.00	30	3.3
B. C. Sugar Refinery Ltd. Holding Co. holds 99.6% B. C. Sugar Refining Co. Ltd. which operates cane sugar refinery with capacity of 500 tons daily. Through subsidiaries operates 4 sugar beet factories in Western Canada	11	0.85	30⅛	2.8

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
‡ Inactive issue; doesn't trade.
a Ask.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
		— Canadian $ § —		
British Columbia Telephone Co. "Ord." Second largest privately owned telephone system in Canada	47	2.20	51½	4.3
Brock (Stanley) Ltd. "B" Laundry supplies, hardware, plumbing supplies, etc.	16	0.40	8	5.0
Building Products Ltd. Asphalt roofing, flooring and insulation	36	1.35	24½	5.5
Bulolo Gold Dredging, Ltd. Operates a gold dredging project in New Guinea	15	0.50	7.50	6.7
Calgary & Edmonton Corp., Ltd. Leases oil and gas drilling rights in Alberta	26	0.50	22⅜	2.2
Campbell Red Lake Mines Ltd. Ontario gold producer	11	0.4375	13¾	3.2
Canada Cement Co., Ltd. Portland cement	13	1.30	29¼	4.4
Canada & Dominion Sugar Co., Ltd. Cane and beet sugar refining	32	1.20	27¼	4.4
Canada Bread Co., Ltd. Bread and cake wholesaler and retailer	19	0.10	6⅝	1.5
Canada Flooring Co., Ltd. "B" Specializes in manufacture of hardwood flooring of all kinds	13	0.70	16½	4.2
Canada Foils, Ltd. Oldest and largest foil converting plant in Canada	14	1.39	35½	3.9
Canada Iron Foundries, Ltd. Holding and operating company—machinery & equipment interests	18	1.00	20	5.0
Canada Malting Co., Ltd. Malt for the brewing & distilling industries	35	2.50	70	3.6
Canada Packers Ltd., "B" Full line of packinghouse prods.	27	1.75	53½	3.3
Canada Permanent Mortgage Corp. Lends on first mortgage security, issues debentures, accepts deposits	107	2.00	72	2.8
Canada Steamship Lines, Ltd. Freight and passenger vessels: other diverse interests include hotels	20	1.80	54½	3.3
Canada Wire and Cable Co. Ltd. "B" Copper and steel wires and ropes	24	0.60	11½	5.2
Canadian Breweries Ltd., new Holding co.—brewing and grain milling interests	18	†0.35	10⅞	3.2
Canadian Bronze Co., Ltd. Holding co. — subsidiaries make bronze bearings, bushings and castings	35	1.50	24	6.3
Canadian Celanese Ltd. Synthetic yarns and fabrics	27	1.40	36	3.9

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
		— Canadian $ § —		
Canadian Dredge & Dock Co. Ltd. General dredging; construction & repair work on waterways	13	0.30	8¾	3.4
Canadian Fairbanks Morse Co., Ltd., class "B" Exclusive sales agents for Fairbanks, Morse & Co. of Chicago	25	0.15	4.50	3.3
Canadian General Electric Co., Ltd. Exclusive manufacturing & selling rights of General Electric products in Canada	32	†0.30	33	0.9
Canadian Gen. Invest. Ltd. Management type invest. trust	34	1.39	36½	3.8
Canadian Imperial Bank of Commerce Operates 1,272 branches throughout the world.	95	2.10	64⅝	3.2
Canadian Industries Ltd. Chemicals and allied products	36	0.50	14	3.6
Canadian International Investment Trust Ltd. Management type of investment trust	12	1.15	b23	5.0
Canadian Oil Cos., Ltd. Petroleum refining & distribution	37	0.80	58¼	1.4
Can. Pac. Ry. Co., "Ord." "The" private railway system of Canada	19	1.50	25⅛	6.0
Canadian Tire Corp., Ltd. new Sells automotive accessories, parts, etc., through 190 stores	19	0.70	34	2.1
Canadian Vickers, Ltd. Shipbuilding, repairs; also makes industrial and mining machinery	19	1.00	18½	5.4
Canadian Westinghouse Co., Ltd. Airbrakes and large variety of electrical apparatus	17	0.60	30	2.0
Chartered Trust Co. General fiduciary business	28	2.00	100	2.0
Chateau-Gai Wines Ltd. Wines and juices	18	†0.4333	14	3.1
Cochenour Willans Gold Mines Ltd. Gold producer N. W. Ontario	15	0.14	4.35	3.2
Collingwood Terminals, Ltd. Operates a 2 million bushel grain elevator in Collingwood, Ontario	21	1.10	b26	4.2
Combined Enterprises Ltd. Name changed to Turnbull Elevator Ltd.				
Commonwealth Int'l Corp. Ltd. A mutual investment trust of management type.	29	0.32	b8.54	3.7
Conduits National Co., Ltd. Rigid electrial conduits, elbows, couplings, etc.	26	0.64	8½	7.6

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

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Greer V.-P. of S. R. Arias Inc.

Philip Greer has been admitted as a Vice-President and Director of S. R. Arias, Incorporated, members of the New York Stock Exchange. He had been with the investment banking firm of White, Weld & Co. in the New Business and Underwriting Departments since 1960.

Mr. Greer graduated in 1957 from Princeton University and in 1960 from Harvard University Graduate School of Business Administration where he received the Master of Business Administration Degree with High Distinction and was elected a George F. Baker Scholar.

Offices of S. R. Arias, Incorporated, are at 60 Broad Street, New York City.

Canada—Continued Progress Featured by Exchange Stability

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	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Confederation Life Assoc. Wide range of endowment and life policies	39	2.00	173	1.2
Consolidated Bakeries of Canada Ltd. Holding Co. through subs. operates 19 bakeries in Ontario & Quebec	10	0.50	8¼	6.1
Consolidated Mining & Smelting Co. of Can. Ltd. Lead, zinc, silver, chemical fertilizers, etc.	30	1.00	22¾	4.4
Consol. Paper Corp., Ltd. Owns five mills; daily newsprint capacity 2,764 tons	17	2.10	37	5.7
Consumers Gas Co. Manufactures and distributes gas in the Toronto area	115	0.44	19⅛	2.3
Consumers Glass Co., Ltd. Wide variety of glass containers	27	0.80	39	2.1
Corby (H.) Distillery Ltd. V.t. Holding and operating co.—alcohol and spirits	16	1.00	17¼	5.8
Corporate Investors Ltd. A mutual Fund trust of management type.	30	0.33	9.88	3.3
Cosmos Imperial Mills Ltd. Manufactures heavier grades of cotton duck	28	0.80	10⅛	7.9
Crain, R. L. Ltd. Manufactures & sells continuous business forms	17	0.48	14	3.4
Credit Foncier Franco-Canadien Lends on first mortgage security. Subs own & operate real estate cos. & have int in oil & gas props. in West Canada	81	2.75	131	2.1
Crown Cork & Seal Co., Ltd. Bottle caps for the beverage industry	34	3.00	72	4.2
Crown Trust Co. General fiduciary business	63	1.20	57	2.1
Crow's Nest Pass Coal Co., Ltd. Coal producer on western slope of Canadian Rockies	45	0.75	15	5.0

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Distillers Corp.-Seagrams Ltd. A holding co.—interests include a complete line of whiskies and gins	26	1.70	47⅞	3.6
Dome Mines Ltd. Ontario gold producer	43	0.70	25	2.8
Dominion and Anglo Investment Corp., Ltd. new Investment holding company	23	0.40	b16	2.5
Dominion Bridge Co., Ltd. Bridges, cranes and structural steel of all kinds	50	0.70	19⅝	3.6
Dominion of Canada General Insurance Co. Wide range of life, fire, accident & automobile etc.	27	2.075	109	1.9
Dominion Corset Co. Ltd. Manufactures ladies' foundation garments	13	1.00	19	5.3
Dominion Fabrics, Ltd. Towels, tapestries, draperies, etc.	36	0.60	12	5.0
Dominion Foundries & Steel Ltd. Makes wide variety of primary steel products	26	1.60	61¼	2.6
Dominion Glass Co., Ltd. Wide variety of glassware	45	2.80	74⅞	3.7
Dominion Oilcloth and Linoleum Co., Ltd. Wide range of linoleum and oilcloth products	76	1.30	24	5.4
Dominion Scottish Investments Ltd Investment trust of management type	11	0.30	7½	4.0
Dominion Steel & Coal Corp. Ltd. A holding co.—coal, iron & steel interests	17	0.40	10⅛	4.0
Dominion Stores Ltd. Operates grocery and meat chain of 358 stores	21	0.36	14	2.6
Dominion Tar & Chemical Co., Ltd. Distiller of coal tar & producer of its derivatives	17	0.80	17½	4.6
Dominion Textile Co., Ltd. Wide range of cotton yarns and fabrics	51	0.90	16⅝	5.4
Donohue Brothers Ltd. Owns and operates a paper mill at Clermont, Quebec	17	0.95	22	4.3

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Dover Industries Ltd. Owns and operates two flour mills, capacity 1,350 bbls. daily; also 2 box and 1 ice cream cone factory	23	0.60	11½	5.2
Eastern Trust Company, The General fiduciary business	69	1.20	b47½	2.5
Economic Invest't Trust Ltd. General investment trust business	36	1.70	39	4.4
Eddy Match Co. Ltd. Manufactures and sells wood and book matches and through subs. is in lumber business and manufacturer of vending machines	25	1.50	30½	4.9
Electrolux Corp. "Electrolux" vacuum cleaners, & air purifiers	19	*1.60	45	3.6
Empire Life Insurance Co. Operates as life insurance co.	12	1.00	190	0.5
Equitable Life Insurance Co. of Canada Wide line of life and endowment policies	24	0.90	64	1.4
Falconbridge Nickel Mines, Ltd. Nickel, copper, cobalt; subsidiary produces steel castings	30	2.50	50⅞	4.9
Famous Players Canadian Corp., Ltd. Largest operator of motion picture theatres in Canada	28	1.00	17½	5.7
Fanny Farmer Candy Shops, Inc. Operates large candy chain of 402 stores and 1,660 agencies	35	*1.20	28	4.3
Finlayson Enterprises Ltd. "B" Distributes through subsidiaries smokers' requisites, drugs, cosmetics, etc.	12	0.20	3.50	5.7
Ford Motor Co. of Canada, Common Automotive manufacturer	30	7.50	172	4.4
Foundation Co. of Canada Ltd. Engineers & general contractors	23	0.50	9½	5.3
Fraser Companies, Ltd. Wide variety paper and lumber products; synthetic yarns and fabrics	19	1.20	25¼	4.8
Gatineau Power Co. Hydro-electric energy in Eastern Canada	25	†2.00	33¾	5.9

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
* Dividend paid in U. S. currency.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

duPont Appoints In Philadelphia

PHILADELPHIA, Pa.—Francis I. duPont & Co., members of the New York Stock Exchange and other leading exchanges, announce the appointment of Richard J. Handly as Assistant Manager and George L. Davis, Jr. as Sales Manager in the firm's Philadelphia office at 1620 Chestnut Street.

Mr. Handly was formerly associated with H. A. Riecke & Co., Incorporated, which was consolidated with Francis I. duPont & Co. as of April 1, 1963. He had been associated with the Riecke firm since 1946.

Mr. Davis has been associated with the Philadelphia office of Francis I. duPont & Co. for the past three years. He was formerly President of the Davis Building Supply Company, and President of the Philadelphia Ramblers. He was also formerly Treasurer of the Philadelphia Arena Corp.

Gordon McKinley Heads McGraw-Hill's Economic Staff

Gordon W. McKinley has been appointed Vice-President-economics, of the McGraw-Hill Publishing Company.

In his new position, Mr. McKinley will be responsible for making economic analyses and forecasts to help the company in its own business and financial planning, coordinating the work of the divisional economic staffs, and directing broad economic studies.

Mr. McKinley has been vice-president and chief economist of F. W. Dodge Corp., a McGraw-Hill subsidiary, since Nov., 1961. He has been a member of the Dodge board of directors since 1962, and will continue in that post.

Before coming to Dodge, he was associated with the Prudential Insurance Company of America for ten years, where he was executive director of economic and investment research. Prior to that, Mr. McKinley was an assistant professor in economics and business organization at Ohio State University, and had been on the faculties of Lehigh and Rutgers Universities.

Mr. McKinley has published many articles in professional journals and is co-author of the book, "The Federal Reserve System." He is a member of the American Economic Association, American Statistical Association, American Finance Association, National Association of Business Economists, and the Forecasters Club of New York.

Canada—Continued Progress Featured by Exchange Stability

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
General Bakeries Ltd. One of Canada's largest independent bakery operations. Makes bread, cakes, biscuits and confectionery	12	0.40	12	3.3
Giant Yellowknife Mines Ltd. Gold producer Yellowknife area, N. W. T.	10	0.70	10¾	6.5
Goderich Elevator and Transit Co. Ltd. Operates 4 grain elevators. Capacity 3,000,000 bushels	30	1.50	b16¾	9.0
Goodyear Tire & Rubber Co. of Canada, Ltd. Natural and synthetic rubber products	36	6.00	135	4.4

Listed Companies Which Have Paid Consecutive Dividends From 5 to 10 Years Appear in the Second Table Starting on Page 24.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Gordon Mackay Stores Ltd. "B" Manages subsidiaries which distribute textile products and allied goods	38	0.50	7	7.1
Grand & Toy Ltd. Manufactures commercial & general stationery & business forms and distributes office supplies & furniture throughout Ontario	19	1.90	60	3.2
Great Lakes Paper Co., Ltd. Manufactures newsprint and unbleached sulphite paper	16	0.60	16¾	3.6
Great West Coal Co., Ltd. "B" Wholesale distributor of lignite coal	16	0.25	4.05	6.2
Great-West Life Assur. Co. Wide range of life, accident and health policies	63	5.90	b670	0.9
Greening Industries Ltd. Wide variety of wire products	25	0.175	3.25	5.4
Guaranty Trust Co. of Can. General fiduciary business	34	1.175	61½	1.9

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Hallnor Mines, Ltd. Ontario gold producer	24	0.16	2.00	8.0
Hamilton Cotton Co., Ltd. Wide variety of textile products	21	1.10	26½	4.2
Harding Carpets Ltd. Specializes in seamless "Axminster" and "Wilton" rugs	27	†0.76	18¼	4.2
Hayes Steel Prods. Ltd. (new) Wide variety of automotive parts	20	†0.60	13⅝	4.4
Hinde and Dauch Ltd. Wide variety of paperboards, boxes, etc.	29	1.80	50½	3.6
Hollinger Consolidated Gold Mines, Ltd. Ontario gold producer	47	0.60	20¾	2.9
Hudson's Bay Co. Operates chain of department and retail stores in Western Canada. Also wholesale name brand products. Has 229 all type stores. Acquired Henry Morgan & Co. Ltd. in 1960	25	0.285	11⅜	2.5
Hudson Bay Mining & Smelting Co. Ltd. Manitoba copper & zinc products	28	3.00	51⅛	5.9
Hughes-Owens Co. Ltd. "B" Mfg. & retailer of drafting equip. scientific instruments & artists' supplies	10	0.30	b8	3.8
Huron & Erie Mortgage Corp. Lends money on first mortgage security and operates deposit and debenture accounts	98	1.25	60	2.1
Imperial Flo - Glaze Paints Ltd. Varnishes, lacquers, enamels, paints, etc.	22	1.60	32	5.0
Imperial Life Assurance Co. of Canada Comprehensive range of life, endowment and term policies	88	3.00	138	2.2
Imperial Oil Ltd. With subsidiaries comprises full integrated oil enterprises	63	1.40	43⅞	3.2
Imperial Tobacco Co. of Canada, Ltd. "Ord." Tobacco, cigars and cigarettes	51	0.80	14	5.7
Industrial Acceptance Corp., Ltd. Purchases acceptances; also small loans & gen'l insurance business	15	1.00	27	3.7

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc. Oct. 26, 1962.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Industrial Minerals of Canada Ltd. Mines and processes nephaline syenite for use in glass and ceramic trade in Ontario.	10	0.30	4.25	7.1
Interior Breweries Ltd. "B" Operates 2 breweries with combined capacity of 70,000 barrels per year	12	0.30	5½	5.5
International Bronze Powders Ltd. Holding co. Subs. manufacture bronze and aluminum powders	12	0.80	20	4.0
International Nickel Co. of Canada, Ltd. Holding and operating co.—Primary operations at mines and smelters near Sudbury, Ontario	29	*1.90	67¾	2.8
International Paper Co. Holding and operating co. — Operates pulp and paper mills in Canada and the U. S.	17	*†1.029	28¾	3.6
International Utilities Corp. Management and development of natural gas and electrical companies in Alberta	19	1.55	43¾	3.5
Interprovincial Pipe Line Co. Owns and operates crude oil pipeline from Red Water, Alta. to Superior, Wis. and Sarnia, Ont. 1,930 miles	10	2.95	78⅞	3.7
Investment Foundation Ltd. Management type investment trust	19	2.40	45	5.3
Jamaica Public Service, Ltd. new Holding company. Holds all common stock of Jamaica Public Service Co. Ltd. which serves Jamaica with light & power from 2 steam electric, 5 hydro-electric and 4 diesel power generating stations. Capacity 67,400 hp.	10	†0.9875	9¼	10.7
Jockey Club Ltd. Operates several horse race tracks in Ontario	11	0.12	3.20	3.8
Johnston Terminals & Storage Ltd. Holding Co. Through subsidiaries operates as freight distributors, movers and operates warehouses & cartage.	10	0.40	‡	‡

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
* Dividend paid in U. S. currency.
† Adjusted for stock dividends, splits, distributions, etc.
‡ Inactive issue; doesn't trade.

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Sony Corp. ADR's Sold

Public offering of 300,000 American Depositary Shares representing 3,000,000 common shares of Sony Corp. (Tokyo) is being made by an underwriting group managed by Smith, Barney & Co. Inc. and the Nomura Securities Co., Ltd., New York. The offering price per American Share is $17.25.

Each American Share represents 10 shares of Sony common stock deposited in Tokyo with the Bank of Tokyo as agent of Morgan Guaranty Trust Co. of New York, the Depositary.

The American Depositary Shares being offered will participate in a free distribution of 9,000,000 common shares to be made by Sony Corp. in the ratio of one new share for each five Sony shares held of record April 30, 1963.

The offering of American Depositary Shares is the second to be made by the company. In June, 1961, Sony made the first public offering of common stock by a Japanese company registered under the U. S. Securities Act of 1933. That offering comprised 2,000,000 common shares in the form of 200,000 American Depositary Shares and was made by a Smith, Barney-Nomura underwriting group. The Depositary Shares are traded in the New York over-the-counter market.

Sony, a manufacturer of transistorized radios and television receivers, magnetic tape recorders, and other electronic equipment, will add the proceeds from the sale of the shares to general funds of the company. The Sony management intends to apply the proceeds to finance capital expenditures, principally in connection with the company's construction program, which includes the expansion of manufacturing facilities at two locations in Japan. Capital expenditures for the 1963 construction program are estimated at $10,000,000.

Net sales in the year ended Oct. 31, 1962 totaled $63,780,000 and net income $3,119,000, equal to 74.3c per American Depositary Share.

Hanrahan & Co. To Be NYSE Firm

WORCESTER, Mass. — Effective April 11, Hanrahan & Co., Inc., 332 Main St., members of the Boston Stock Exchange, will become a member of the New York Stock Exchange. The Exchange membership will be held by Francis J. Eulner who will be a director of the firm.

Officers of Hanrahan & Co. are Paul B. Hanrahan, President and Treasurer; Charles J. Fleming, Vice-President; and Anthony J. White, Secretary. Gilbert M. Slovin is a director of the firm, as are all the officers.

Canada—Continued Progress Featured by Exchange Stability

Continued from page 21

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Kerr-Addison Gold Mines Ltd. Ontario gold producer	23	0.80	6.45	12.40
Labatt (John) Ltd. General brewing business	18	.46	14¾	3.1
Lamaque Gold Mines Ltd. Quebec gold producer	24	0.20	3.75	5.3
Lambton Loan & Investment Co. Oldest mortgage company in Canada. Company also issue debentures and accepts deposits.	119	1.45	37	3.9
Laura Secord Candy Shops, Ltd., new Retail candy chain in Ontario & Quebec—137 stores	36	0.70	17¼	4.1
Lawson and Jones Ltd. "B" Engaged in printing and lithographing, manufactures labels, folding cartons and calendars, etc.	14	1.00	31	3.2
Leitch Gold Mines Ltd. Ontario gold producer	25	0.09	1.35	6.7
Lewis Bros., Ltd. Wholesale hardware trade in Eastern Canada	17	0.10	7¼	1.4
Loblaw Cos. Ltd. "B" Operates chain of 238 "self-service" grocery stores in Ontario	31	0.171875	8¼	2.1
Loblaw, Inc. Operates 252 "self-service" food markets in northern New York, Pennsylvania and Ohio	24	*0.40	8¼	4.8
Lower St. Lawrence Power Co. Quebec electric utility	12	1.30	36	3.6
Walter M. Lowney Co., Ltd. Chocolate and other confection products	27	1.00	b23	4.3
Macassa Mines, Ltd. Ontario gold producer	14	0.25	3.70	6.8
MacLaren Power & Paper Co. "B" Holding company—newsprint, lumbering and power interest	21	1.10	19½	5.6
MacMillan, Bloedel & Powell River Ltd. Fully integrated lumber business; large exporter	22	0.75	18¾	4.0
Madsen Red Lake Gold Mines Ltd. Ontario gold producer	23	0.15	2.07	7.2
Maple Leaf Gardens, Ltd. Owns and operates Toronto sports arena of same name	17	1.50	33	4.5
Maple Leaf Mills, Ltd., new Grain handling; flour milling; operation of bakeries, etc.	17	0.50	12⅜	4.0

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
* Dividend paid in U. S. currency.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Maritime Telegraph & Telephone Co. Ltd. Operates largest telephone system in Nova Scotia and through subsidiaries in P.E.I.	23	0.90	20¾	4.3
Massey-Ferguson, Ltd. Complete line of farm implements and machinery	17	0.40	12¾	3.1
McCabe Grain Co., Ltd., com. General grain dealings	16	1.40	40	3.5
McIntyre Porcupine Mines, Ltd. Ontario gold producer	46	1.15	43½	2.6
Midland & Pacific Grain Corp., Ltd. Dealers in grain and operates line elevators in Western Canada	17	0.15	3.75	4.0
Milton Brick Co., Ltd. Makes first quality face brick	13	0.20	3.85	5.2
Mining Corp. of Canada, Ltd. Holding, exploration & financing company	14	0.85	13¾	6.2
Molson's Brewery, Ltd. "B" Montreal brewer	18	1.00	28¼	3.5
Monarch Investments Ltd. Operates and owns number of apartment houses	15	2.00	67½	3.0
Montreal City & District Savings Bank Operates 53 branches in province of Quebec.	92	2.80	b140	2.0
Montreal Locomotive Works, Ltd. Diesel-electric locomotives and related production	17	0.90	13½	6.7
Montreal Refrigerating & Storage Ltd. "B" Operates general and cold storage warehouse in Montreal	17	0.60	b11¼	5.3
Montreal Trust Co. Executor & trustee, management of securities & real estate	54	1.90	88	2.2
Moore Corp. Ltd. Business forms, advertising display products, etc.	19	*1.00	46¾	2.1
Mount Royal Rice Mills, new Manufactures and distributes rice products.	17	0.40	11	3.6
National Drug and Chemical Co. of Canada, Ltd. Wholesaler of drugs, chemical & general merchandise	22	0.80	15¼	5.2
National Grocers Co., Ltd. Ontario grocery wholesaler	21	0.60	23	2.6
National Trust Co., Ltd., new General trust business, also accepts deposits	64	†0.44	21	2.1
Neon Products of Canada Ltd. Neon advertising signs	33	0.70	17½	4.0
New Brunswick Telephone Co. Ltd. Operates telephone system in New Brunswick	54	0.60	b12¾	4.7
Newfoundland Light & Pow. Co., Ltd. Operating public utility	14	2.40	70½	3.4

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
* Dividend paid in U. S. currency.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Niagara Wire Weaving Co., Ltd. Makes wire mesh, cloth, wire weaving machinery, etc.	28	0.80	15	5.3
Noranda Mines, Ltd. (new) Copper and gold producer	33	†1.125	33⅝	3.3
Normetal Mining Corp., Ltd. Quebec copper and zinc producer	17	0.27	2.90	9.3
Northern Telephone Ltd. Operates telephone system in 150 centres Northern Ontario and Northwestern Quebec. Dec. 31, 1957, had 59,896 telephones in use	52	0.18	9¼	1.9
Northland Utilities Ltd. Distributes electric power and gas to several cities in Western Can.	11	0.70	18	3.9
Northwest Industries Ltd. Engages in overhaul and repair of aircraft, aircraft instruments and accessories	10	0.20	6¼	3.2
Nova Scotia Light & Power Co. Ltd Diverse utility interests in Halifax and vicinity in Nova Scotia	33	0.80	19¾	4.1
Ogilvie Flour Mills Co., Ltd. Mills flour, feeds, and cereals	60	2.40	48¾	4.9
Okanagan Telephone Co. Owns and operates local and long distance phone system. At latest report has 22,421 phones in use.	14	0.60	13⅝	4.4
Oland & Son Ltd. "B" Directly and through subsidiaries operates 2 breweries in Halifax & one in St. John, N. B.	10	0.50	‡	‡
Ontario Loan and Debenture Co. Accepts deposits and sells debentures; invests in first mortgages	92	1.20	36½	3.3
Ontario Steel Products Co., Ltd. (new) Automotive springs, bumpers and plastic products	25	†0.66	14	4.7
Pacific Atlantic Canadian Investment Co. Ltd. Investment trust of Management type	21	0.17	3.00	5.7
Pacific Coast Terminals Co. Ltd., new Owns terminal facilities and cold storage warehouse at New Westminster, B. C. Capacity—1,500,000 tons cargo per year	19	†0.75	16	4.7
Page-Hersey Tubes, Ltd. Industrial pipe and tubing	37	0.90	21¼	4.2
Parker Drilling Co. of Canada Ltd. Owns & operates oil drilling rigs in Western Canada	10	0.20	2.75	7.3
Pato Consolidated Gold Dredging Ltd. Operates a gold dredging project in Colombia, S. A.	24	†0.75	2.96	25.3
Penmans Ltd. Woolen, cotton and silk knitted goods	56	1.80	36	5.0

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
‡ Inactive issue; doesn't trade.

Drexel Partners

Four new general partners were admitted to Drexel & Co. on April 1, 1963. They are: David T. Guernsey, John J. F. Sherrerd, John W. Boyer, Jr. and James J. Hughes, Jr.

For the past seven years, Mr. Guernsey has been with B. J. Van Ingen & Co., Incorporated, of which he became a Vice-President in 1959. Previously he had been associated with The First Boston Corporation as a manager of their Municipal Dept. Mr. Guernsey is a member of the Municipal Bond Club of New York, the Municipal Forum of New York, and the Wall Street Club.

Mr. Sherrerd has been associated with Drexel & Co. since 1956. He is a member of the Financial Analysts of Philadelphia, and a former President of the Investment Association of Philadelphia.

Mr. Boyer joined the Federal Reserve Bank in 1950. In 1953 he became associated with the Provident Tradesmens Bank and Trust Company, serving latterly as an Assistant Vice-President in the Commercial Loan Division. He has been associated with Drexel & Co. since 1961.

Mr. Hughes became associated with Drexel & Co. in 1958, having formerly been connected with Hemphill, Noyes & Co. from 1954 to 1958. He is a member of the Financial Analysts of Philadelphia, the New York Society of Security Analysts, and the Philadelphia Securities Association.

Lieberbaum To Admit

On April 11, Lieberbaum & Co., 50 Broadway, New York City, members of the New York Stock Exchange, will admit Ethel Neumark and Matty Warsaw to limited partnership.

Canada—Continued Progress Featured by Exchange Stability

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦ — Canadian $ § —	Approx. % Yield Based on Paymts. to Dec. 31, 1962
People's Credit Jewellers Ltd. (new) — Retailer of jewelry and associated merchandise	21	†0.2333	11½	2.0
Photo Engravers & Electrotypers Ltd. — Photo engravings, electrotypes, commercial photography, etc.	29	0.80	15	5.3
Placer Development, Ltd. — Investment—holding company—gold interests	30	0.95	27½	3.5
Power Corp. of Canada, Ltd. — A utility holding management and engineering company	26	2.00	86	2.3
Premier Trust Co. — Operates as trust company trustee, etc.	46	8.00	345	2.3
Price Brothers & Co., Ltd. — Newsprint and related products	19	2.00	35¼	5.7

Listed Companies Which Have Paid Consecutive Dividends From 5 to 10 Years Appear in the Second Table Starting on Page 24.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Provincial Bank of Canada — Operates 178 branches and 176 agencies in eastern Canada	62	1.45	49¾	2.9
Quebec Power Co. — Operating public utility	48	1.60	35¾	4.5
Quebec Telephone — Provides telephone services to some 300 towns & villages in 17 counties of Eastern Quebec	12	1.10	44⅛	2.5
Quemont Mining Corporation Ltd. — Produces gold, silver, copper, zinc, and pyrites in Quebec	12	0.90	9.87	9.1
Quinte Milk Prod., Ltd. — Wide variety of milk products	14	0.15	b4.75	3.2
Reitman's (Canada) Ltd. — Through holdings of 3 subs. operates 153 retail clothing stores in Ontario and Quebec	12	0.45	b10	4.5
Robertson (P. L.) Manufacturing Co., Ltd. — Wide range of screws and bolts	21	0.20	11	1.8
Robinson Little & Co., Ltd. — Wholesale and retail merchandising of dry goods & variety store lines	15	0.80	15	5.3

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦ — Canadian $ § —	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Rolland Paper Co., Ltd. "B" — High-grade bond writing paper & related products	13	0.20	11	1.8
Royal Bank of Canada — Operates 1,042 branches throughout the world	94	2.50	76½	3.3
Royal Trust Co. — General fiduciary business	63	1.80	52	3.5
Russell Industries Ltd. — Holding company—machine tool interests	27	e0.54	9½	5.7
St. Lawrence Corporation Ltd. — Newsprint and allied products	12	1.00	22¼	4.5
Sangamo Co., Ltd. — Electric meters, motors, switches, etc.	26	0.40	11	3.6
Scythes & Co. Ltd. — Manufactures cotton and wool waste, cotton, wipers, etc.	27	1.00	15	6.7
Shawinigan Water and Power Co. new — Quebec electric utility	56	0.90	30	3.0
Sherwin-Williams Co. of Canada, Ltd. — Paints, varnishes, enamels, etc.	21	1.00	23¾	4.2
Sicks' Breweries Ltd. — Beer, ale, stout and carbonated beverages	35	1.20	36½	3.3
Sigma Mines (Quebec) Ltd. — Quebec gold producer	23	0.25	5.50	4.5
Silknit Ltd. — Lingerie, swim suits and other rayon products	15	1.25	26¼	4.8
Silverwood Dairies, Ltd. "A" — Full line of dairy products	16	0.60	13	4.6
Simpson's Ltd. — Owns and operates through subs dept. stores in Canada	17	0.80	29⅞	2.7
Siscoe Mines Ltd. — Holding Co. with interest in various mines located in Ontario and Quebec	13	0.075	1.70	4.4
Slater Steel Industries Ltd., — Pole-line hardware for power companies; also metal stampings and forgings	25	†0.30	9½	3.2
Southam Co., Ltd. — Publishes seven daily newspapers across Canada; operates three radio stations	27	0.85	34½	2.5
Southern Canada Power Co., Ltd. — Operating public utility; Southern Quebec	40	2.50	46½	5.4
Sovereign Life Assurance Co. of Canada — Life and endowment insurance	44	3.00	308	1.0

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
e Dividend payment does not include special distribution of $3.79.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦ — Canadian $ § —	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Standard Paving & Materials Ltd. — General paving contractor	15	0.50	10	5.0
Standard Radio Ltd. (new) — Through subsidiaries owns and operates radio and short wave stations in Canada	22	†0.17	10	1.7
Stanfield's Ltd. "B" — Manufactures woolen & rayon underwear and hand knitting yarns	25	1.00	b23	4.3
Stedman Brothers Ltd., new — Wholesale and retail small wares business	28	†0.50	20	2.5
Steel Co. of Canada, Ltd., new — Engaged in all branches of steel production	47	†0.60	18⅝	3.2
Sterling Trust Corp., new — General fiduciary business	26	1.60	53	3.0
Stuart (D. A.) Oil Co., Ltd. — Makes extreme friction lubricants and related products	23	1.25	30	4.2
Sun Publishing Co. Ltd., "B" — Publishes The Vancouver Sun, 216,500 circulation and has other varied interests.	10	†0.075	19¼	0.4
Supertest Petroleum Corp., Ltd. "Vot. Com." new — Markets petroleum products in Ontario and Quebec	37	0.05	3.70	1.4
Switson Industries Ltd. — Mfgs. vacuum cleaners, floor polishers, gas heaters, furnaces, etc.	10	0.08	1.05	7.6
Tamblyn (G.) Ltd. — Operates chain of 134 drug stores	26	1.05	18	5.8
Teck-Hughes Gold Mines, Ltd. — Ontario gold producer	37	0.10	1.62	6.2
Texaco Canada Limited — Oil production, refining and distribution	19	1.60	43½	3.7
Third Canadian General Investment Trust Ltd., new — Investment trust of the management type	34	†0.20	6½	3.1
Toronto-Dominion Bank — Operates 588 branches, 584 in Canada, one in New York, Chicago, and two in London, England	105	2.05	63½	3.2
Traders Finance Corp., Ltd. "B" new — Purchases installment sales obligations	16	†0.80	14½	5.5
Turnbull Elevator Ltd. — Owns & operates companies mfg. food flavors, paints, industrial rubber goods, moulded drug sundries, elevator gears & machinery. Plants in Montreal, Toronto and Farnham, Ont.	10	0.60	12½	4.8

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

Continued on page 24

Meyerhoff Co. Formed in Chicago

CHICAGO, Ill.—Irving E. Meyerhoff, a Chicago stock broker for 40 years, has opened a new general brokerage firm at 120 South LaSalle Street, under the name of Irving Meyerhoff & Co.

Mr. Meyerhoff is widely recognized as a floor broker specialist and odd-lot dealer. The new firm will provide personalized service to investors, corporations, institutions and brokers.

Associated with Irving Meyerhoff as a partner is his son, Nathan E. Meyerhoff. Both are members of the Midwest Stock Exchange.

Since 1947, the elder Meyerhoff has been a partner in the large, general brokerage firm of Freehling, Meyerhoff & Co. Nathan Meyerhoff has been associated with this company for the past four years.

Irving Meyerhoff began his stock brokerage career four decades ago as a board marker with Charles Sincere and Company. He later formed his own business, also known as Irving Meyerhoff and Company, predecessor of the Freehling, Meyerhoff firm.

Bache Offers Inv. Courses

Two practical courses for puzzled investors are being offered in April by the New York Stock Exchange firm of Bache & Co., at its 770 Lexington Avenue, New York, office.

The courses, open to the public but subject to advance registration, are designed to teach investors how to evaluate their own financial situation, how to choose investments best suited for their objectives, how to use all the tools available, how to recognize opportunities and pitfalls, and how to use fundamental and technical approaches to investing.

The first course, under the direction of Leonard Harvey, will be given on four successive Thursday evenings, beginning April 11; and the second, under Joseph Loeb, Jr., Associate Manager of the Lexington Avenue office, on four successive Tuesday evenings, beginning April 16.

Canada—Continued Progress Featured by Exchange Stability

Continued from page 23

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Union Gas Co. of Canada, Ltd. Production, storage, transmission and distribution of natural gas	14	0.50	18½	2.7
United Amusement Corp., Ltd., "A" Operates 34 motion picture theatres in Montreal and other Quebec cities	38	1.00	‡	‡
United Canadian Shares Ltd. Holding co. — insurance interests	38	0.90	24⅞	3.6
United Corporations Ltd. "B" An investment trust of the management type	22	1.00	23½	4.3
United Towns Electric Co. Ltd. Supplies power to 160 communities in Newfoundland. Operates 10 plants with capacity of 29,060 hp.	12	0.40	11	3.6
Upper Canada Mines Ltd. Ontario gold producer	23	.06	1.60	3.8
Viau Ltd. new Biscuits and confectionery	16	0.80	12½	6.4
Victoria & Grey Trust Co. Operates as trust company	12	1.75	59⅝	2.9
Walker (Hiram)-Gooderham & Worts, Ltd. Holding company—extensive liquor interests	27	2.00	58½	3.4
Waterloo Trust & Savings Co. Accepts deposits and general fiduciary business	49	1.50	b65	2.3
Westeel Products Ltd. Manufactures sheet metal	22	0.15	12⅞	1.2
Western Canada Breweries, Ltd. Serves four western provinces	26	1.20	29½	4.1
Westminster Paper Co., Ltd. Common Wide range of paper specialty products	30	0.80	33½	2.4
Weston (George) Ltd. "B" Fine biscuits, bread, cakes, confectionery, etc.	33	0.325	19½	1.7
Wood Alexander Ltd. Operates wholesale hardware business	12	0.20	2.25	8.9
Wood, John, Co., Ltd. Holding Co. Subs. Canada & U. S. mfr. water heaters, oil trade equipment, etc.	20	†0.40	12⅛	3.3
Woodward Stores (1947) "A" Ltd. A holding company which operates seven departmental stores in western Canada through subsidiaries	15	0.50	12⅛	4.1
Zeller's Ltd. Operates chain of 61 specialty stores across Canada	22	1.40	34	4.1

TABLE II

CANADIAN

(Listed and Unlisted)

Common Stocks

On Which CONSECUTIVE CASH DIVIDENDS Have Been Paid From

5 to 10 Years

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to Dec. 31, 1962 — Canadian $ § —	Quotation Dec. 31, 1962♦	Approx. % Yield Based on Paymts. to Dec. 31, 1962
Algoma Steel Corp. Ltd. Owns & operates fully integrated plant for iron, steel, coke & by-products. Also iron mines & subs. operates coal mines.	6	1.40	44	3.2
Algonquin Building Credits Ltd. Purchases from dealers installment obligations for sale of home improvement materials	5	0.375	9½	3.9
Anglo Canadian Oils Ltd. (Brandon) Owns & operates refinery in Brandon, Man. Distributes and sells through company owned stations & agents	8	1.00	b42	2.4
Anglo Scandinavian Investment Corp. of Canada Operates as an investment company	7	0.30	9¼	3.2
Anthes-Imperial Co., Ltd. "A" new Manufactures and distributes pipe and fittings for soil, water and air. Also boilers, radiators and steel scaffolding	8	0.40	15¾	2.5
Ash Temple Limited Manufactures and distributes dental equipment & supplies	5	0.80	13	6.2
Atlas Steels Ltd. Major producer of wide range of alloy & tool steels & stainless steel with plant at Welland, Ont. Subsidiaries operate in England, Mexico, has interest in similar operation in Belgium.	7	1.25	34¾	3.6
Bowes Company Ltd. Manufacturers, importers and wholesalers of confectioners' and bakers' supplies	8	1.50	28	5.4
Bow Valley Industries, Ltd. Operates as contract driller for oil & gas wells. Owns 9 modern rigs capable of drilling from 4,500 ft. to 10,000 ft.	7	0.50	16¼	3.1
Bralorne Pioneer Mines Ltd. Owns 2 producing gold mines, Cadwallader Creek, Bridge River area British Columbia	8	0.40	5.90	6.8
Bright, T. G., & Co. Manufactures Canadian Wines, owning 1,500 acres of vineyards in Ontario. Plants in Niagara Falls, Ont. and Lachine, Que. Storage capacity 5,000,000 gals. Also operates 14 retail stores.	6	1.00	85	1.2
British Columbia Packers Ltd. "B" Packs Salmon, clams, oysters, etc. with plants in British Columbia, Nova Scotia and Manitoba. Brand names are "Clover Leaf" and "Rupert Brand."	8	1.00	15½	6.5
Bulloch's Ltd. "B" Manufactures warm air furnaces using gas, oil or coal with plant in Winnipeg.	7	0.35	b5½	6.4
Calgary Power Ltd. Alberta power utility	7	0.50	20¼	2.5
Canada Crushed & Cut Stone Ltd. Processes crushed stone, chemical stone, agriculture limestone. Produces bituminous asphalt. 3 quarries in Ontario. Warehouse and docks at Hamilton, Ontario.	6	0.50	19	2.6
Canadian Arena Co. Operates Montreal Forum	7	4.00	180	2.2
Canadian General Securities Ltd. "B" Investment holding company	8	1.00	17½	5.7
Canadian Power & Paper Securities Ltd. Investment Trust of management type	6	0.25	9	2.8
Canadian Utilities Ltd. Supplies electricity in Alberta. Operates 12 plants; Capacity 90,460 KW; serving 46,082 customers	6	1.25	29½	4.2
Canadian Wallpaper Manufacturers Ltd. "B" Manufactures wallpapers. Through subsidiaries operates wallpaper & paint stores.	7	1.00	25	4.0
Carter, James B. Ltd. "B" Manufactures & markets automatic electrical, farm & heat transfer products & acts as exclusive representative for allied products. Plant in Winnipeg.	8	1.00	48½	2.1
Cassiar Asbestos Corp., Ltd. Owns producing asbestos property in B. C.	5	0.60	10⅝	5.6
Consolidated Discovery Y'knife Mines Ltd. Gold producer, Yellowknife Dist., N. W. T.	9	0.08	0.79	10.1
Copp Clark Publishing Co., Ltd. Prints and publishes books and prints and lithographs other specialized printed material.	6	0.40	8⅛	4.9
Coronation Credit Corp., Ltd. On own behalf and thru subs. makes loans on real estate in B.C., Alta., Ont & Que.	8	0.24	6¾	3.6
Craig Bit Co. Ltd. Manufactures and sells detachable bits for rock drilling and carbide drill rods	8	0.08	1.90	4.2
Dickenson Mines Ltd. Gold producer Northern Ontario	9	0.18	3.95	4.6
Dominion Electrohome Industries Ltd. Manufactures and sells radios, phonographs, television, electric fans, electric motors and allied products	8	0.20	11¾	1.7
Dow Brewery Ltd. Brewer with plants at Montreal, Quebec City, and Toronto	5	1.50	50	3.0
DuPont of Canada Ltd. Manufactures chemicals, textile fibres, commercial explosives, etc.	9	0.75	37	2.0
Eddy Paper Co Ltd. new com. Taken over by Geo. Weston Ltd.				
Edmonton Concrete Block Co. Ltd. Manufactures concrete blocks and lightweight aggregate. Capacity is 20,000 8-in. blocks per day	8	0.24	3.55	6.8
General Paint Corp. of Canada Ltd. "B" Manufactures complete line of paints, enamels, varnishes and lacquers	7	1.10	9	12.2
Greyhound Lines of Canada Ltd. Operates bus service in eastern and western Canada. Thru subs also manufactures buses and parts	5	1.00	18⅝	5.4
Gunnar Mining Ltd. Uranium producer in northern Saskatchewan	5	1.00	9.95	10.1
Highland Bell Ltd. Owns producing silver-lead-zinc-gold property in British Columbia.	6	0.10	2.30	4.3
Hi-Tower Drilling Co. Ltd. Operates as contract driller for oil & gas wells. Owns 9 modern rigs capable of drilling from 4500 ft. to 10,000 ft. Name changed in June 1962 to Bow Valley Industries Ltd.				
Investors Syndicate of Canada Ltd. Issues and distributes investment certificates. Also acts as manager & distributor on fee basis.	6	1.00	55	1.8
Labrador Mining & Exploration Ltd. Has leases on extensive iron ore prospect acreage in Labrador. Also holds interest in producer, Iron Ore Co. of Can. and receives royalties on all ore produced. Co. also has right to ship ore for its own account.	6	0.50	26	1.9
Maher Shoes Ltd. Manufactures & distributes shoes etc., thru 112 retail stores in Ontario	5	1.20	27	4.4
Manitoba and Saskatchewan Coal Co. Ltd. "B" Mines and wholesales lignite coal. Capacity: 850,000 tons per year.	8	0.50	b5½	9.1
Northern Quebec Power Co. Ltd. Generates & distributes power in N. W. Quebec mining areas. Operates five electrical merchandise stores. Serves 15,889 customers.	7	2.05	31½	6.5
Ocean Cement & Supplies Ltd Through subsidiaries manufactures and sells cement and allied products	5	0.30	10⅛	3.0
Ocean Fisheries Ltd. Holding company. Through subsidiaries operates in fishing, processing and marketing seafood fish and fish byproducts	7	0.37½	‡	‡
Okanagan Helicopters Ltd. Operates helicopters for topographical survey work, prospecting, oil surveys, timber cruising and pipeline patrol.	6	0.50	1.30	3.8
Pamour Porcupine Mines Ltd. Ontario gold producer	5	0.08	0.85	9.4
Paul Service Stores Ltd. Operates as dry cleaner, launderer, tailor, shoe repairing & fur storages. Has 81 stores in Montreal area.	6	1.00	9½	10.5
Reeves Macdonald Mines Ltd. Lead-zinc-silver-cadmium property in British Columbia	7	0.20	1.32	15.2
Salada Foods Ltd. Directly & through subsidiaries manufactures, processes & sell extensive variety of food products. Has four plants in Canada, four in U. S. A and one in Jamaica.	7	0.30	9½	3.2
Superior Propane Ltd. Markets propane gas and sells appliances & equipment for the use of gas in Ontario & Quebec	5	0.425	17¾	2.4
Thompson Paper Box Co. Ltd. Company and subsidiary manufacture a wide range of paper boxes	7	0.20	5½	3.6
Union Acceptance Corp. Ltd. Purchases installment obligations of motor vehicle & household equipment purchases. Subs. operate loan divisions.	6	0.40	7¾	5.2
United Keno Hill Mines Ltd. Silver-lead-zinc-cadmium producer, Yukon	9	0.40	7.30	5.5
Western Canada Steel Ltd. Holding company. Subsidiaries producers small steel bars, small structural shapes, nuts, bolts, rivets, spikes and bands. Company also has interest in Hawaiian Western steel Ltd. Total capacity of subsidiaries 182,000 tons.	8	0.30	7½	4.0
Willson Stationers & Envelopes Ltd. Company and subsidiaries carries on stationery and office supply business. Factories at Winnipeg, Regina, Edmonton and Vancouver	7	2.50	b44	5.7
Wool Combing Corp of Canada Ltd. Through subsidiaries dyes wools tops in Quebec.	5	0.60	14¼	4.2

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§ Less current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
‡ Inactive issue; doesn't trade.
b Bid.

♦ Quotations represent Dec. 31, 1962 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 31, 1962.
§ Less current Canadian Exchange Rate.
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§ Less current Canadian Exchange Rate.
‡ Inactive issue; doesn't trade.
b Bid.

The Market . . . And You

BY WALLACE STREETE

Has the market reached an important intermediate top?

This question asked by a market writer of a leading Wall Street house a few days ago could perhaps be answered best by the observation of another scribe from an equally prominent brokerage establishment. His view: "Neither bulls nor bears have had any firm convictions about the market so far in 1963."

Meanwhile, the overall market refuses to stray any sizable distance from its established pattern of the past few weeks. Under today's conditions, 690 on the Dow-Jones industrials spells "breakout" on the upside, while 670 indicates severe forebodings in the boardrooms.

Yet the market is due for a change. All the elements of a shift in sentiment are present; but the move needs a catalyst. Possibly the end of the stalemate will be signaled by the current rising volume.

The trend has certainly been towards heavier turnover in recent days.

Optimists can otherwise attribute it to good news in better production reports for steel and autos. Or still others can say the public is more intent on investing now that it is possible to get daily newspapers and fuller coverage of Wall Street activities.

There is little doubt that the newspaper blackout has hurt volume in all segments of the stock market. Still the greatest blow to interest in trading was undoubtedly dealt to the non-professionals in the historic sell-off of last Spring.

The Odd-Lotters Position

How long can the pronounced trend of the odd-lotters to the sell side be considered a bullish omen?

Although the odd-lotters are traditionally wrong, history shows that there are times when they are proven right by mere dint of perseverance. The ratio of selling to buying is currently a consistent 4-to-3 margin, and it gives few signs of changing.

Bullish Factors

Non-professionals are still locked in the market to a large extent. But the good news to stimulate a break-out is there if one wants to find it. The profit outlook for the second quarter remains favorable in many industries.

And hopes of a tax cut are still very much alive. Business is also finding that the tax guide line is a practical help in most instances.

Many market observers feel the release of the Securities & Exchange Commission report this week will prove a bullish sign. They point to the fact that it can clear the air of a lot of uncertainties that may have restricted interest of many investors.

Yet the market seems to be geared to essentials, although tempered by psychology to an extent.

Consider the steels and the auto stocks. Steel output this month is almost certain to hit the highest mark in a year. Production this month is expected to reach 10.6 million tons. This is a 5% gain over March and 15% more than a year ago.

While Federal indictment of seven steel makers seems to have nipped a strong advance in the bud, the fact remains that virtually all ingot pourers have orders exceeding their current capacity.

The traditional spring rally still has a fairly sound base in other areas too. Auto production this month is headed for a 16% gain over the 1962 period, and seems certain to post the highest total for April, save for the 1955 month when 753,000 cars were assembled.

Divergent Motor and Rail Prosperity

Chrysler and General Motors remain the favorites in this field. Ford and American Motors have been definitely hurt by predictions of possible lower profit margins this year.

General Motors and Chrysler in advancing to new tops this week showed how much their production gains had outclassed the rest of the automotive field. Some of the more optimistic seers place Chrysler's future potential as high as 120 but some of the more practical observers feel the high 90s is reward enough. A stock split, incidentally, is scheduled to be considered by shareholders in the near future.

Rails, like the autos, present a mixed picture. Most of the carriers are poised to take advantage of better tax rules and more favorable work rules. The rails have won a substantial fight in their battle to outlaw featherbedding.

And the long-awaited date to eliminate some 40,000 diesel locomotive firemen in freight and yard service now is set for next Monday. Although a strike could intervene, it is more likely that a delay will come from government action to stave off a stoppage by at least 60 days.

Yet the rail earnings outlook is clouded. The whole merger picture has been muddled by the Justice Department's opposition to the Chesapeake and Ohio and the Baltimore and Ohio tie-up. Meanwhile the Pennsylvania, itself the subject of the nation's biggest merger proposal, is the victim of poor profit prospects, according to its Chairman, James M. Symes.

Pennsy last year had its third annual loss in its 116 year history and sees no reversal this year. While this loss was on an unconsolidated basis, the road did post an overall profit of $12.5 million. Some officials, inclined to blame troubles on outside sources, claim that "increased dumping of cheap residual oil at East Coast steam plants," has posed a threat to coal traffic.

Yet Pennsy has conceded that coal traffic rose last year.

Brightening Oil Prospects

Meanwhile the prospects for oil stocks have brightened. Despite price softness of many petroleum products and the uncertainty of tax legislation this year, many analysts are recommending oil stocks. And many institutional buyers are responding.

Prominent on the best-liked list are California Standard, Jersey Standard, and Texaco. Oil stocks favored by institutional investors include Gulf, Socony Mobile, Indiana Standard, Phillips, and Continental.

Gulf, according to a recent market study by a leading brokerage firm can be bought currently at a price-earnings ratio of less than 13-to-1. Phillips, now trading in the high 40s, can be bought at less than 16 times 1962 earnings.

Continental Oil trades at 18½ times profits while Socony Mobil is available at 13 times its $4.98 earnings of 1962. California Standard, selling in the mid 60s, can be purchased at 15 times its $4.38 profit of last year.

Indiana Standard, one of the cheapest of the lot, commands a mere 11.9 times 1962 earnings of $4.53 a share. Selling in the mid-50s, it carries a yield of about 3.3%.

Standard Oil of New Jersey, the nation's largest oil company, sells at a price-earnings ratio of 16.5, based on its current level of mid-60s and last year's earnings of $3.88 a share.

Texaco, another prominent international oil producer, carries a slightly higher p/e ratio of 17.5 on a market price of middle to upper 60s and 1962 profits of $3.78 a share.

One of the smaller and less prosperous producers, Pauley Petroleum (it lost $1.4 million last year) has hopes of staging a comeback this year. A joint venture in an off-shore field of California is expected to become one of the largest finds on the West Coast.

[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.]

F. I. duPont Co. Admits Partners

Peter R. duPont has been admitted to partnership in Francis I. duPont & Co., 1 Wall St., New York City, members of the New York Stock Exchange it has been announced.

Peter R. duPont

Mr. duPont joined Francis I. duPont & Co., in 1954 and has served in all operating departments of the firm. In 1960 he was based in California on a special management assignment. Since 1961 he has been in charge of the operation of the firm's electronic data processing center in New York City.

Paul P. Wisman has been named resident partner in Lynchburg of Franics I. duPont & Co., it has also been announced. He will handle the firm's municipal bond activities in the Southeastern states.

Mr. Wisman has been in the investment business in Lynchburg since 1955, when he joined Scott, Horner & Co., a Virginia-based investment firm which merged with Francis I. duPont & Co., in 1958.

Sutton Joins Tucker, Anthony

Harold S. Sutton has joined Tucker, Anthony & R. L. Day, 120 Broadway, New York City, members of the New York Stock Exchange, as consultant on electric utilities, it has been announced. Mr. Sutton recently retired as a Vice-President of Consolidated Edison Company of New York, Inc.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Central Illinois Electric & Gas Company

Central Illinois Electric & Gas Company is one of three "Central Illinois" utilities which, along with Illinois Power and Commonwealth Edison, serve the state of Illinois with electricity. Central Illinois E. & G., with annual revenues of $31 million services three separate sections of the state—the Rockford, Lincoln and Albion divisions, which are not interconnected. Rockford is the most important, accounting for more than 80% of revenues, with most of the remainder generated in the Lincoln division. Rockford is a manufacturing center (machine tools, automotive parts and hardware) while Freeport and Lincoln are mainly centers for dairying and farming regions, though the former has some manufacturing.

Electricity contributes about 63% of revenues and gas 36% while water and steam heating account for about 1%. Residential and rural business generate about 43% of electric revenues, commercial 25% and industrial 27%; domestic and space-heating customers contribute about 72% of gas revenues.

The company has two steam generating plants—Sabrooke with 143,000 kw capability and an efficient heat rate of 11,524 btu per kwh, and Fordham with a capability of 69,000 kw and a high heat rate of 18,400. (A small hydro plant also produces a negligible amount of power.) In 1962 17% of total output was purchased from neighboring utilities. The company has apparently not indicated its plans for construction of additional generating facilities.

Construction expenditures for 1963 are estimated by the company at about $6,753,000 (including $4,068,000 for additions and improvements to the Rockford, Freeport, and Lincoln gas systems) compared with $5,505,000 in 1962. No permanent financing was required in 1961-2, but $2 million bank loans were incurred.

Natural gas is purchased from Panhandle Eastern Pipe Line and Natural Gas Pipeline of America, a subsidiary of Peoples Gas. The company also has an interest in a gas storage project in northeastern Illinois, from which some 17,500,000 cf a day is being obtained. Two propane peak shaving plants have combined daily capacity of 4,000,000 cf. With additional gas allocations during 1962 in the Rockford-Freeport area, the company started an aggressive sales program in that area. It also obtained additional gas to extend service to four communities in the Lincoln Division.

The company has enjoyed rapid growth, with electric revenues more than doubling in the past decade, while gas nearly tripled. Residential gas space heating in 1962 amounted to nearly $7 million (some 22% of total revenue) compared with only $1.4 million in 1952. This rapid growth may have been largely responsible for the steady growth in share earnings throughout the decade as indicated in the table below.

The outlook for 1963 seems favorable. Construction of new homes in the service area is expected to hold steady this year at around last year's level. In the commercial construction field a banner year is in prospect in Rockford and Winnebago Counties, where plans have been made to start construction of three large motels at an aggregate cost of $4,000,000. Gates Rubber Company has announced its intention to build a new plant in the Rockford area and Swain & Myers is erecting a half-million dollar plant for the manufacture of store fixtures in Lincoln.

Added gas supplies aggregating 10,000,000 cf daily have recently been made available to the Rockford-Freeport and Lincoln gas systems, and aggressive sales efforts will thus continue in the gas heating field during 1963. Promotion of gas heat was particularly successful in 1962 in Rockford, where nearly 3,400 residential and 400 commercial gas heating customers were added, mainly through an intensive campaign from early August to mid-October. The bulk of the revenue from the addition of these customers will be reflected in 1963. The gas system is also being extended into new areas. In the Lincoln Division, extensions have been made to seven communities in the last two years and similar projects are planned for seven or more areas starting in 1963. Public acceptance of gas for air-conditioning is also on the increase, service being supplied to several new buildings in the Rockford area.

As indicated in the table below, earnings per share over the past decade have increased 145%, but in the past five years only 39%. Dividends have increased from 41 cents paid in 1953 to the present $1 rate (increased from 88 cents on Jan. 2 this year). Earnings and dividend figures have been adjusted for a 2-for-1 split in 1961, 5-for-4 in 1958 and 3-for-2 in 1955. At the recent price over-counter around 28, the stock yields 3.6% and sells at about 21 times earnings. Earnings do not include tax savings resulting from use of liberalized depreciation.

TEN-YEAR RECORD

Year	Revenues (Million)	Common Stock Record— Earnings	Dividends	Approx. Range
1962	$31	$1.35	.88	31 - 18
1961	29	1.25	.76	32 - 20
1960	27	1.18	.72	21 - 17
1959	26	1.10	.72	19 - 16
1958	23	1.04	.64	17 - 10
1957	23	.97	.64	13 - 10
1956	21	.94	.58	13 - 11
1955	19	.87	.46	11 - 9
1954	16	.62	.43	9 - 7
1953	15	.55	.41	8 - 7

MUTUAL FUNDS

BY JOSEPH C. POTTER

Bonds Are For Everybody

Any longtime observer of the marketplace knows that bonds historically have had scant appeal for the investor of moderate means. Indeed, the typical little man or little woman knows precious little about bonds. Mention, for example, grades and ratings of bonds to investors. You may evoke interest, but little if any experience.

The truth is that, aside from the Series E bonds of the United States Government, the general public simply stays away from bonds. People will take a profit (or a loss) in stocks and, deciding to keep the proceeds from the stock market, will put their money in the bank. It may well be that this choice of a refuge for their funds is a wise one, but quite frequently the action is dictated by inexperience with the bond market.

"Little people just aren't geared for bonds," is the opinion of the manager of the municipal department for a major Wall Street investment banking house.

Still, he might have added—but didn't—the small investor is going to be. The financial community has never educated the public about bonds as it has about stocks, but the combination of growing affluence and the tax bite of the Great White Father has stirred considerable interest among people who have worked hard for their money and would now like it to work hard for them.

One of the great educative forces now working in this field is the fund trade. Thus, the Keystone Co. of Boston right now is doing a sizable job of telling investment-minded folks why they should buy into bond funds. Of course, Keystone is hoping that its down-to-earth literature will produce customers for its own bond funds, but its contemporaries are bound to profit also from this missionary work.

"Why invest in bonds?" is the question raised by the Keystone people.

They cite such reasons as fixed and dependable income, then note that bonds also can provide "high income." They go on:

"Many bonds today provide a higher rate of return than is currently available from common stocks. Although there is a risk in any investment (including individual bonds which in some instances in the past have been known to default on interest or principal payments and which in individual instances may do the same in the future), these characteristic features of soundly selected bond issues provide ample reasons for the income-minded to invest in bonds."

Keystone tells the prospect that because of the relative dependability of bond income, bond interest is ordinarily at a lower rate than stock dividends, but it adds:

"Since late 1957, however, bond yields on the average have been **higher** than stock yields—an income-buying opportunity that last occurred in the 1932-36 period. In fact, in only six out of the past 30 years have bonds been at their present or lower price levels."

It is the terrible doubt about understanding of stock values that drove, and is driving, many folks to acquire a stake in the market through mutual funds. Rare, indeed, is the investor who can put together a bond portfolio or even select the bond best suited to him. And even the most sophisticated investor in bonds probably lacks the resources to obtain suitable diversification.

This is where the funds come in. As Keystone says:

"Many investors solve these and related problems through the advice they receive and the professional management they employ when they purchase a Keystone Bond Fund instead of an individual bond."

The Funds Report

American Business Shares, Inc. reports that on Feb. 28, end of the first quarter, net assets totaled $25,943,610, equivalent to $3.95 a share. At the end of the fiscal year on Nov. 30, assets were $26,233,749, or $4.36 per share.

* * *

Loomis-Sayles Mutual Fund reports that during the quarter ended Jan. 31 it bought Panhandle Eastern Pipeline, Royal Dutch Petroleum and United Fruit while adding to its holdings of General Mills, Long Island Lighting and Universal-Cyclops Steel.

* * *

Massachusetts Investors Growth Stock Fund announces that at the close of the first quarter on Feb. 28 assets totaled $562,000,096, or $7.51 per share. At the end of the fiscal year on Nov. 30 net assets were $540,893,815, equal to $7.38 a share.

During the latest quarter the company made new investments in four companies: Control Data Corp., First National Bank in Dallas, South Carolina Electric & Gas Co. and James Talcott. It also increased holdings in 14 other companies. The fund meanwhile eliminated J. Ray McDermott and Upjohn and reduced investments in six others.

* * *

Cal M. Schenkman, Manager of the **B. C. Morton Organization** financial service center in Hackensack, N. J., has been named head of its New York City outlet.

* * *

Scudder Fund of Canada reports that during the three months that ended Feb. 28 it bought 25,000 shares of Aluminium, 50,000 British Petroleum, 20,000 International Computers & Tabulators and 5,000 Hiram Walker, Gooderham & Worts, Ltd. Major sales included Algoma Steel, Atlas Steels, Dominion Foundries & Steel and Shawinigan Water & Power Co.

* * *

Orvis Bros. Co. Admits Hemmer

John W. Hemmer has been elected a general partner in Orvis Brothers & Co., 30 Broad Street, New York City, it has been announced. He will be associated with the Research Department, concentrating on institutional services.


John W. Hemmer

Prior to joining Orvis in January 1963, Mr. Hemmer was associated as an investment analyst with Lazard Freres & Co. for 3½ years, with Lionel D. Edie & Co. Inc. for three years and with the Chase Manhattan Bank for three years.

A member of the New York Society of Security Analysts, Mr. Hemmer holds a Master's Degree from the Columbia University Graduate School of Business.

Israel to Start Redeeming Its Bonds on May 1

Bonds issued in 1951 to be redeemed at a premium of 50%.

The fifteenth anniversary of the State of Israel coincides with a significant milestone in its financial history, the redemption this year of the first State of Israel Bonds. The loan which American purchasers of Israel Bonds made in 1951, when the first Israel Bonds were issued, is being repaid starting May 1, 1963, two days after the young nation's fifteenth birthday. The reverse flow of dollars will reach approximately $24,500,000 during the last eight months of 1963 alone, in principal and interest to be paid out to American holders of these bonds.

The bonds which are maturing are the Twelve-Year Savings Bonds of the Independence Issue, which was floated in the United States in May, 1951, when Prime Minister Ben-Gurion of Israel made a special trip to this country for this purpose. After 1951, the sale of Israel Bonds was extended to Latin America, Canada and Western Europe. Since May, 1951, the total of Israel Bonds sold has passed the $600,000,000 mark, with more than 85% sold in the United States.

The Israel Independence Savings Bonds being redeemed this year were sold in denominations from $50 to $10,000 and are redeemable at 150% of the issue amount. Thus, a $100 bond purchased in 1951 is being redeemed this year for $150; a $1,000 bond is being redeemed for $1,500.

Israel Bond sales in the United States during 1951 totaled $52,647,000 of which approximately 59% was in Coupon Bonds and 41% in Savings Bonds. Some $5,000,000 worth of the Savings Bonds have since been retired prior to maturity through conversion into shares in Israeli industries, tourist expenses in Israel, gifts to philanthropic institutions, and through payment to the estates of deceased registered owners. The remaining Savings Bonds, more than $16,000,000, will be paid out at 150%, or about $24,500,000 this year. The Coupon Bonds of the Independence Issue will mature in 1966.

The State of Israel has designated three paying agents for the redemption of Israel Independence Savings Bonds: The Chase Manhattan Bank in New York; The Continental Illinois National Bank & Trust Company of Chicago; and Bank of America National Trust & Savings Association in San Francisco.

There will be no charge for redemption of Israel Bonds which are presented in person or by mail to one of the three paying agents. The Bondholder may also turn his bond into his own bank for collection.

The redemption of the first Israel Bonds symbolizes the mileage that Israel has recorded on the odometer of economic development during the past twelve years. Since 1951, when the Israel Bond drive was launched, Israel has traversed a long and difficult road. Twelve years ago, the country was in desperate straits struggling determinedly to cope with an overwhelming influx of immigrants—nearly a quarter of a million in 1949, and approximately 175,000 each in 1950 and 1951. The economy was grinding to a halt, and only a rigidly imposed system of austerity prevented complete economic collapse.

As a result of the infusion of Israel Bond investment capital, the change in Israel's economic outlook has been phenomenal. In recent years, Israel achieved and has maintained a rate of economic growth comparable to the highest in the world. Agricultural output is increasing at the rate of more than 15% per year; industrial production is increasing more than 12% annually. Exports have risen from $70,000,000 in 1951 to $482,000,000 in 1962. During this same period, when the population increased from 1,250,000 to 2,325,000, Israel has managed not only to maintain its standard of living but to raise it to the point where it is clearly the highest in the Middle East.

Graham Director Of Madison Fund

Former Atomic Energy Commissioner, John S. Graham, was elected a Director of Madison Fund, Inc., a leading closed end investment trust.

Mr. Graham, who was also former Assistant Secretary of the Treasury, is a graduate of the University of North Carolina and practiced law there. More recently he has served as a private business consultant in Washington, D. C.

COMMENTARY...

BY M. R. LEFKOE

"If socialism (i.e., the ownership by the state of all significant means of production) is to preserve democracy, it must be brought about step by step . . . the transition must be piecemeal. . . . There seems no inherent obstacle to the gradual advance of socialism in the United States through a series of New Deals."

No, this plan for the insidious undermining of freedom in the United States was not advanced by Chairman Khrushchev at the last meeting of the Communist Party in Moscow. It was proposed by the Americans For Democratic Action, whose members recently included: three White House aides, three Cabinet officers, at least a half-dozen Senators, more than twenty-five Congressmen, and over thirty-one key government administrators in the vital areas of finance, labor, civil rights, public works, power, housing, and foreign policy.

This statement of the ADA's plan to destroy America's free enterprise system was authored by Arthur M. Schlesinger, Jr., a founder of the ADA and a former national chairman of the organization. When he is not occupied with the task of acting as the ADA's most active spokesman, Mr. Schlesinger serves as the Administrative Assistant to President John F. Kennedy.

What's the ADA?

The ADA was formed in 1947 by Wilson Wyatt, who later became Adlai Stevenson's campaign manager; Leon Henderson, an old New Dealer, who served as chairman of President Truman's council of economic advisors; Franklin D. Roosevelt, Jr., the son of the late president; and the then mayor of Minneapolis, Senator Hubert H. Humphrey.

By its own letterhead definition, the ADA is "a national, independent liberal organization" and by its constitution, the ADA proclaims itself "an organization for progressives, dedicated to the *achievement of freedom and economic security for all people everywhere*, through education and democratic action." (Italics added.)

We can take the ADA at its word — a colloquial definition of collectivism is a political system where "all people everywhere" are taken care of by the government. As Senator Strom Thurmond accurately pointed out: "All of the actions and policies advocated by the ADA point to federal socialism." According to Congressman Steven B. Derounian: "The ADAers are morbidly fascinated by the U. S. S. R. and anything accomplished by the Communists is acclaimed by the ADA as superior to anything accomplished by the United States of America." When President Sal B. Hoffman of the Upholsterers Union, one of the original founders of the ADA, resigned from the organization late in 1950, he wrote: "Opposition to Communism *with exceptions* is no opposition at all today. . . . The road of world history is strewn with wrecks and tombstones of those who thought they could compromise with totalitarianism. In the circumstances I must bid ADA adieu." (Italics added.)

Organization's Aims

A Democratic Senator, a Republican Congressman, and a union president accuse the ADA of "federal socialism," a "morbid fascination" with the accomplishments of Soviet Russia, and a willingness to "compromise with totalitarianism." What specifically has the ADA advocated to arouse such violent accusations from all quarters?

The 1961 ADA policy statement calls for total disarmament under UN controls, inclusion of Peiping in nuclear talks, a UN army to keep the peace, immediate U. S. recognition of Red China and its admission to the UN as China (i. e., with a Security Council veto); the removal of all U. S. trade barriers with Red China, the shipment of surplus food to Communist China, long-term assistance for India's socialist economic planning, a "hands-off" policy towards Cuba, opposition to U. S. resumption of nuclear testing, federal aid to public schools at all levels but none to private schools at any level, and more urban renewal and planning in all cities.

As the Los Angeles *Times* summed up this program: "Planning is the panacea that runs through all ADA literature and what is meant by 'democratic planning' is not individual or family or corporate planning but government planning."

On closer analysis, some of the ADA's specific legislative proposals indicate that it isn't even willing to wait for a "piecemeal" transition to socialism. For example, the ADA has advocated: building 2,000,000 federally financed dwellings annually, building 100,000 schoolrooms a year for the next five years through federal aid, expanding America's program of foreign aid above its current level (President Kennedy has asked for over $4.3 billion this year), federal construction and operation of atom-electric power plants, and increasing unemployment benefits to 50% of wages.

Proposals such as these are uttered almost daily by collectivists both in and out of government. What makes them frightening when advocated by the ADA is the positions of power occupied by ADA members in our federal government. The Los Angeles *Times* compiled a partial list of ADA members (or former members) in 1961. Although some of the men named are no longer occupying the same positions, the list indicates the extent to which the government has been infiltrated by ADAers and provides an insight into the power they have to set top-level policy.

Roster of Members

The 1961 list includes: Ted Sorensen, special counsel to the President; Sen. Paul Douglas; Frank W. McCulloch, chairman of the National Labor Relations Board; Harrison L. Wofford, special assistant to the President; Chester Bowles, the President's special assistant in the State Department; G. Mennen (Soapy) Williams and Phillip H. Coombs, assistant secretaries of state; Jonathan B. Bingham, the U. S. representative on the United Nations Trusteeship Council; J. Kenneth Galbraith and James Loeb, Jr., ambassadors to India and Peru respectively; Supreme Court Justice Arthur Goldberg; George L. P. Weaver and Mrs. Ester Peterson, assistant secretaries of labor.

Charles Donahue, Labor Department solicitor; Senator Abraham Ribicoff; Wilbur J. Cohen, assistant secretary of Health, Education and Welfare; Mrs. Jim G. Akin, Congressional liaison officer of HEW; Secretary of Agriculture Orville Freeman; Charles Murphy, undersecretary of Agriculture; Robert G. Lewis, deputy administrator of price supports; John A. Baker, director of agricultural credit services; Undersecretary of the Treasury Henry H. Fowler; Fredrick C. Belen, assistant postmaster; Charles H. Stoddard, director of the Interior Department's technical review staff; Archibald Cox, Solicitor General of the U. S.

William Taylor, special assistant to the director of the Civil Rights Commission; Thomas K. Finletter, U. S. Ambassador to NATO; Housing and Home Finance Administrator Robert C. Weaver and his deputy administrator, Jack T. Conway; Sidney H. Woolner, HHFA commissioner of community facilities; Federal Power Commissioner Howard Morgan; Federal Trade Commissioner Philip Elman; George Docking, director of the Export-Import Bank.

The Los Angeles *Times* pointed out that this list had been carefully checked with the ADA's national director, and "in doubtful cases with the individual concerned, is not exhaustive."

Just as Dangerous to Our Way of Life

The ADA has been accused on many occasions of being a communist front organization composed of card-carrying communists. This charge is blatantly false, however, ADA members and their ideological soulmates would be far less dangerous to the freedom of American citizens if they were avowed communists.

The specific form of collectivism known as communism is anathema to all Americans, and anyone who admitted his allegiance to communism would have no chance to reach a position in our government where his ideas could be put into practice. But other varients of collectivism — such as socialism, fascism, and a mixed economy—carry a certain degree of respect in the United States. Thus, while there is no difference in principle between the various forms of collectivism, advocates of increasing government controls, regulations, and general interference in the lives of individuals and business firms have attained high public offices which would have been denied to them had they openly advocated communism.

To focus all of one's efforts on ridding our government of card-carrying communists, and neglect the men whose political-economic ideas are no different in their basic contempt for individual rights—is to commit a fatal error. Americans must come to realize that there can be no common meeting ground between capitalism and collectivism, just as there is no room for compromise between freedom and slavery. To believe — and act — otherwise is nothing short of committing national suicide.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Want Some New Accounts?

Often there are many potential clients within a few blocks of a salesman's office, yet human nature being what it is, we sometimes think we have to travel miles to find them. In every community, of any sizable significance, there are at least a few local firms that have public stockholders. In larger cities there are many highly regarded local firms that are well known and have sold their stock to the public. There are also the local banks—and don't overlook them. Now, all these corporations have annual meetings. They also have executive officers and directors who are usually approachable if you try to meet them on the proper basis. Somtimes one broker in a community has the inside track with a director or two, or even the president; but don't take anything for granted. Let me tell you a story.

One of my friends was very much interested in the stock of a local company. He watched it grow, he liked the management, and he recommended the stock to some of his clients. He bought some for his own account. The president of the company was very highly regarded, well known, and a director in a large bank, as well as active in many civic affairs. Although one of this salesman's competitors was making a primary market in the stock, and was on very good terms with the chief executive officer, he finally decided to try and make a contact on his own.

After over a year of standing on the sidelines, the salesman finally picked up the telephone one day and called the president. He introduced himself, he mentioned that he watched the company grow, that he had become a stockholder, and he had a friend whom he would like to bring along for an interview. This friend was the salesman's largest client. He had already talked with him about the promising outlook for this company. He had suggested a sizable investment to his client and he had told him he would like to try and arrange a personal interview with the president, so they both could obtain a better understanding of the company and its future.

When he suggested the idea to the president of the company, and he told him that his client was a very important investor who might become a helpful stockholder, the interview was promptly granted. They were graciously received. The impression made upon this salesman's client regarding both the company and its president were very favorable A substantial investment was made. A valuable contact was established.

And now there are two competitors, instead of one, who are receiving information, orders, and cooperative assistance from this company and its president (and some directors). This business was there all the time. It was only two blocks away from this security salesman's office. Don't take anything for granted in this business.

Once I thought that a certain large investor would never grant me an interview because he was supposed to be very close to another broker in my city. I called his office and he was out. I left my name and his secretary told me that he would call me. He did. He asked, "What can I do for you?" I replied, "I would like to call to see you, to make your acquaintance and to meet you." He replied, "Why not, what time is convenient for you?" I told him, "I pass your office every afternoon on my way home and anytime you are in, about four-thirty would be just fine for me." He replied, "Make it tomorrow afternoon, I always have a cup of coffee about that time and you can join me at my office." I replied, "Fine, make mine black." He laughed.

That was the beginning of a pleasant friendship and some nice business. And I thought all along that no one could get near him. Don't make this mistake — the worst that can happen is that the man you think may not see you may say "No". Then you are no worse off than before you asked to meet him. But often he says "Yes".

Corporations Buy Securities

There is always room for one more. No matter if you think that some of the local insurance companies, corporations, or privately controlled enterprises that operate as corporations, have accounts with certain brokers, or some local bank has the inside rail, give it a try. Make a check-up of all the available "suspects" you can find in your market area. There may be some corporations that have been overlooked. There may be some officers of these concerns who would like to have an alert broker who can help them when they have some additional surplus that they may wish to invest for the short, or the long term.

Here's another case. There is an insurance company in my area that has been giving its business to several brokers. In both instances there is friendship and one firm has a member on the board. It looks pretty hopeless, doesn't it? The other day an alert salesman made a call on the president of this company and he showed him three good preferred stocks that were yielding very close to five percent; and one of them was a shade over that return. Now I am not talking about preferreds that have limited markets, or that are marginal in any way. This salesman located one preferred that was traded over-the-counter that had been overlooked in this market. (Don't ask for the name—we can't reveal it). Two of the stocks were traded on the N. Y. S. E. The values were there.

The offerings made a significant impression on the president of the company. The salesman sent him reports on these stocks. He opened the door because he proved something—he knew his preferreds. Two months later he got his first order from this insurance company, and it was a good one. Now there are three brokers doing business with this insurance company. All because someone tried, and he knew his business.

BANK AND INSURANCE STOCKS

This Week — Insurance Stocks

THE UNITED STATES LIFE INSURANCE COMPANY

The United States Life Insurance Company in the City of New York is the oldest stock life insurance company in the country, having commenced operations in 1850.

Control of U. S. Life was acquired in 1934 by interests associated with American International Underwriters Corporation under the leadership of C. V. Starr. This group's primary interests were in the international field and they embarked on a program of development of foreign business until 1947. Thereafter, attention has been focused primarily on domestic operations which now represents over 90% of total premium income. In June 1952 controlling interest in the company was purchased by the Continental Casualty Company. Since that time, through a public offering in 1956 and subsequent stock distributions, the common stock of U. S. Life has been fairly widely dispersed in the hands of the general public, with Continental Casualty holding less than 5% of the nearly 1.7 million shares now outstanding.

U. S. Life began a rapid expansion program in 1952 under new management headed by Raymond H. Belknap, who continues as President and Chairman of the Board. Over the past decade the company has more than tripled its insurance in force and more than doubled its premium income through extending the geographic area covered, expanding its agency force and developing a complete line of life and accident and health policies. The company is now licensed to do business in 45 states, compared with 15 in 1952, and intends to reach its goal of nationwide representation shortly. Operations are conducted on a general agency basis with the exception of a few foreign branch offices. The company began writing ordinary participating policies in 1956 and since has added a number of new policy innovations in both the ordinary and group fields.

The past year was the most successful in U. S. Life's long history. Sales of new life insurance policies reached a record $330 million as life insurance in force approached the $2 billion level. Total income and earnings were well ahead of 1961, establishing new highs for the company.

The financial strength of U. S. Life has grown considerably over the past decade along with the company's rapid expansion. Capital funds have risen from $4.4 million in 1953 to $17.2 million at the end of 1962. This growth is particularly noteworthy considering the fact that $2.6 million was transferred from surplus to policy reserves in 1959 for tax purposes and a deficiency reserve of $2.4 million has been accumulated.

U. S. Life's total invested assets of $127.8 million as of Dec. 31, 1962 were divided as follows: bonds—44%, mortgage loans—40%, loans to policyholders—10%, and miscellaneous—6%. During the year a total of $16 million in new investments were made at an average yield of 5.90%. The year's investment operations were characterized by greater activity in the bond account and a shift in emphasis from tax exempt to industrial bonds. The gross yield on total invested assets rose to 4.77% and the net yield before taxes to 4.45%.

U. S. Life has paid cash dividends since 1951. In May 1956 the common stock was split 2-for-1 and a 100% stock dividend was paid. Subsequently, in June, stockholders received rights to subscribe to 100,000 shares on a one-for-ten basis at $26 per share. Stock dividends of 25% were paid in 1958 and 20% in 1961. A semi-annual cash dividend of $0.10 per share has been paid since May, 1961.

The common stock of U. S. Life is currently trading in the Over-the-Counter Market at a price of $76½, in the upper half of its 1962 trading range of $90-$45.

Selected Statistics

Year	Admitted Assets	Life Insurance in Force — Ordinary	Group	Total	Total Premium Income	Capital Funds
	(Millions)					
1958	$105	$577	$711	$1,289	$33.8	$12.1
1959	112	639	836	1,475	36.2	10.6
1960	117	692	959	1,651	38.0	12.7
1961	126	759	1,068	1,827	40.1	15.2
1962	134	832	1,156	1,983	43.7	17.2

Per Share Data

	Reported Earnings	*Adjusted Earnings	Dividends Paid	Book Value	*Liquidating Value	Price Range
1958	$.93	$1.62	$.10	$7.38	$13.50	$52-38
1959	1.00	1.91	.13	6.40	15.38	52-39
1960	1.30	2.31	.13	7.72	17.47	44-36
1961	1.45	2.54	.18	9.21	20.08	90-60
1962	1.51	2.74	.20	10.40	21.80	90-45

*Adjusted for increase in life insurance in force.

As We See It

Continued from page 1

tors or ratios are said to be the key parts of the economic management machinery.

Here is how the Joint Committee economists explain these mysterious figures:

"The primary reason for tax reduction is to stimulate the economy. This stimulus will occur in large part through the so-called multiplier and accelerator principles. . . .

"The multiplier deals with changes in consumption that may be expected from some initial change in economic conditions. The multiplier coefficient indicates that the change in final consumption will be the initial change in economic conditions multiplied by the coefficient. . . ." Then after presenting the formula itself, the Committee adds that "if 80% of additions to income will be consumed, the multiplier formula would indicate that the total increase in consumption would be five times the initial change. . . .

"The multiplier assumes that as a result of increasing incomes—from tax reduction or any other source—individuals will spend more on consumer goods and services."

And, now the accelerator principle:

The accelerator relationship refers to the fact that some changes in investment will occur as a result of changes in aggregate demand. The accelerator analysis assumes that increase in consumption demand must be reflected in part by increases in the demand of firms for capital goods to meet the additional consumer wants. The multiplier implies that increases in final demand will be reflected by increases in demands for labor services. The accelerator concentrates on the effects of increased consumer demand on increased output of capital goods. This latter change is important, just as the multiplier, because a rise in demand for investment goods constitutes a source of additional income that can then be used in a multiplied way throughout the economy."

No Need for a Doctor

If the reader feels a twinge of vertigo at this point, he need not suppose that for that reason he had better see his physician. All this, so it seems to us, is about as far removed from everyday affairs as it appears on the surface to be, and any serious effort of an ordinary brain to follow it through its various labyrinths is very likely to give rise to queer feelings in the head—we had almost said nausea. Many economists, perhaps we should say most economists, since the advent of Maynard Keynes in the 'Thirties have been all but continuously engaged in such sweeping abstractions, the chief among them perhaps being these same two multiplier and accelerator principles. We shall certainly not join that procession. Perhaps, though, we should be excused if we recall that this very multiplier that is now supposed to measure increase in consumption arising from increases in income or output, originally appeared from the pen of the patron saint of New Deal economists, Lord Keynes, as the "investment multiplier"—which was supposed to show the amount of increase in total output which would arise from a given increment in investment expenditures — a fact which hardly does much to relieve the vertigo!

Of course, there is nothing new in these basic concepts. The new and the dubious about them lies in the use that is made of them and the situations to which they are applied. Everyone, including, of course, the classical economic theorists, has long been well aware that increased activity in any segment or sector of industry would reverberate throughout other parts of the economy—that is if and only if general conditions are favorable. The names given these facts are new as are the strange conclusions drawn from them. What is now being suggested has nothing to do with natural increases in the activity of any industry or trade, but with the effects of artificially created income in the hands of individuals and business — income that originates with the modern equivalent of printing money and distributing it widely. What is being said is that give a man or a business money and they will spend it, and if they spend it there will be increased demand for some type of goods or other.

But They Use It

As absurd as all this may seem—and is—it is in essence the principles that seem to be guiding the powers that be in this nation at this time. Most of us will remember that very much the same sort of doctrine was preached with similar fervor during the early days of the New Deal. Some wag at that time suggested that, assuming all that the economists were saying, the quickest way to get things started would be to print money and hire the unemployed to stand on the street corners and pass out 10 dollar bills. Fortunately no one in Washington took him seriously, but one is a little put to it to find much theoretical fault with his reasoning—assuming the premises of the New Deal to be sound and accurate. It was a noted German philosopher of another day who once remarked that we learn nothing from history except that we learn nothing from history!

What is most distressing about the current situation is that we are really suffering from the want of intelligent tax revision—and tax reduction provided we give serious thought to real reduction in expenditures. The plans of the Administration definitely seem to brush aside everything but tax reduction.

Bache Lectures On Com. Futures Trade

Three lectures on the professional approach to trading in commodity futures is being offered the investing public by the New York Stock Exchange firm of Bache & Co.

Recognizing that special knowledge and techniques are required to take advantage of the great speculative opportunities in the commodities markets, the firm is offering would-be-traders a chance to acquire a sophisticated understanding of futures trading.

The lectures will cover the fundamentals of commodity trading, the influence of government support programs, analysis and price forecasting by fundamentals and by charts, and a survey of current market situations.

The course will be given on three successive Wednesday evenings, beginning April 17, at the firm's 770 Lexington Avenue office. Investors may register for lectures by writing or calling Paul Laven.

NEWS ABOUT BANKS AND BANKERS

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

Gilbert W. Fitzhugh, has been elected to the Board of Directors of the **Chase Manhattan Bank, New York,** it was announced April 2.

* * *

CHEMICAL BANK NEW YORK TRUST COMPANY, NEW YORK

	Mar. 31, '63	Dec. 31, '62
	$	$
Total resources	5,077,730,443	5,246,135,618
Deposits	4,292,327,770	4,562,502,942
Cash and due from banks	997,138,610	1,157,190,072
U. S. Govt. security holdgs.	616,596,407	636,986,862
Loans & discts.	2,473,547,392	2,562,959,142
Undivid. profits	50,841,654	47,006,939

* * *

MANUFACTURERS HANOVER TRUST COMPANY, NEW YORK

	Mar. 31, '63	Dec. 31, '62
	$	$
Total resources	6,037,112,971	6,532,402,555
Deposits	5,180,361,152	5,674,454,983
Cash and due from banks	1,418,754,425	1,758,636,403
U. S. Govt. security holdgs.	959,529,012	975,087,515
Loans & discts.	2,609,815,370	2,769,708,362
Undivid. profits	90,704,299	86,767,553

* * *

Chemical Bank New York Trust Company, New York, has elected Herbert M. Weed to its Advisory Board on International Business.

* * *

IRVING TRUST COMPANY, NEW YORK

	Mar. 31, '63	Dec. 31 '62
	$	$
Total resources	2,467,157,411	2,656,864,886
Deposits	2,160,064,648	2,354,058,849
Cash and due from banks	575,179,685	622,439,779
U. S. Govt. security holdgs.	420,935,715	470,529,124
Loans & discts.	1,167,011,761	1,268,182,697
Undivid. profits	36,061,710	38,615,082

* * *

MARINE MIDLAND TRUST COMPANY, NEW YORK

	Mar. 31, '63	Dec. 31 '62
	$	$
Total resources	897,677,552	923,472,695
Deposits	784,701,378	801,040,149
Cash and due from banks	243,481,644	276,273,113
U. S. Govt. security holdgs.	153,804,107	156,551,113
Loans & discts.	425,761,494	430,581,264
Undivid. profits	22,886,258	22,190,776

* * *

BANK OF NEW YORK

	Mar. 31, '63	Dec. 31 '62
	$	$
Total resources	688,742,240	775,897,093
Deposits	586,617,353	676,162,145
Cash and due from banks	202,558,307	296,121,259
U. S. Govt. security holdgs.	100,260,693	100,028,601
Loans & discts.	322,833,132	315,873,382
Undivid. profits	13,096,400	12,827,181

* * *

William H. Moore, Chairman of **Bankers Trust Company, New York,** has announced the election of Arthur Brickner as Vice-President in the Economics Department.

Mr. Brickner joined Bankers Trust in 1945. He was named an Assistant Economist in 1955 and an Associate Economist in 1959.

William Cohen was elected Vice-President in the Metropolitan Banking Division.

Mr. Cohen joined Bankers Trust in 1944 and was elected an Assistant Vice-President in 1952.

Mr. Moore also announced that John B. Ackley, III. has been appointed an Assistant Treasurer in Bankers Trust's Fifth Ave. Office.

Mr. Jennings joined Bankers Trust in 1931. He was named Assistant Controller in 1946, Auditor in 1947 and Assistant Vice-President in 1948.

* * *

Lagos, Nigeria, Abidjan, Ivory Coast and Monrovia, Liberia, will be home for the next three years for **Bankers Trust Company, New York,** Representatives Eugene F. Kingery, Guyon Krug, and Vincent B. Mannino.

Mr. Kingery will serve as an Assistant to the General Manager of the **United Bank for Africa, Ltd., Lagos, Nigeria.** Mr. Krug will represent Bankers Trust in the **Societe Generale de Banques en Cote d'Ivoire in Abidjan, Ivory Coast.** Mr. Mannino will serve as Assistant Manager of the **Liberian Trading and Development Bank, Ltd. (Tradevco), Monrovia, Liberia.**

Bankers Trust Company, New York, through its wholly-owned subsidiary Bankers International Corporation, holds equity interests in each of the above banks.

Mr. Krug has served with Bankers Trust's Paris office, as well as in the offices of Societe Generale and Banque Nationale pour le Commerce et Industrie in Paris. In addition to his staff duties in Abidjan, he will also cover Societe Generale du Banques au Senegal in Dakar, Senegal; Societe Generale de Banques au Congo in Brazzaville, Congo; and Societe Generale de Banques au Cameroun in Douala, Cameroun, three other banks in which Bankers International Corporation has equity interests.

* * *

Joseph L. Monte has been elected a Vice-President and Joseph Wiesenthal an Assistant Vice-President of **The Marine Midland Trust Company of New York** and both will be assigned to the bank's Metropolitan division.

Mr. Monte was until recently a Vice-President of the **Citizens National Bank in California, Los Angeles, Calif.**

Mr. Weisenthal was previously as Assistant Vice-President of the **Chemical Bank New York Trust Company, New York.**

* * *

THE GRACE NATIONAL BANK OF NEW YORK

	Mar. 31, '63	Dec. 31, '62
Total resources	$269,725,689	$272,030,034
Deposits	252,688,107	232,786,641
Cash and due from banks	58,306,147	58,216,792
U. S. Govt. security holdgs.	49,994,912	49,996,697
Loans & discts.	125,387,376	127,059,925
Undivid. profits	5,859,327	5,424,059

* * *

UNDERWRITERS TRUST COMPANY, NEW YORK

	Mar. 31, '63	Dec. 28, '62
Total resources	$53,182,094	$53,068,346
Deposits	48,307,027	48,577,854
Cash and due from banks	11,408,953	5,888,274
U. S. Govt. security holdgs.	19,464,721	19,464,836
Loans & discts.	18,550,352	23,624,316
Undivid. profits	958,874	918,325

* * *

The Banking Department of the State of New York on March 26 gave **The Bank of Tokyo, Trust Company, New York, N. Y.** approval to increase its stock from $1,500,000 consisting of 15,000 shares of the par value of $100 each, to $2,700,000 consisting of 27,000 shares of the same par value.

* * *

The election of Eugene R. Black to the Board of Trustees of **The Bowery Savings Bank, New York,** was announced April 2.

* * *

Charles R. Stephenson, an Assistant Secretary of **The Dime Savings Bank of Brooklyn, N. Y.,** since September of 1960 and Assistant Manager of the bank's Coney Island branch office since early 1955, retired from the bank's staff this week following observance of his 35th anniversary with The Dime.

Mr. Stephenson was employed by the bank as a clerk in April, 1928, soon was promoted to teller, later was appointed a Supervisor of new accounts, and was named Assistant Manager of the Coney Island office on Jan. 17, 1955. He attained officer rank on Sept. 16, 1960, when he was appointed to serve as an Assistant Secretary.

* * *

The Federal Reserve Bank of New York on April 1, said that the Comptroller of the Currency has advised us that a certificate of authority to commence business has been issued to the **Flushing National Bank, Flushing, N. Y.,** which officially opened for business on April 1. The capital of the bank is $500,000, and its surplus $500,000.

The officers of the bank are: Peter R. Dorsey, Chairman of the Board and Vice-President; Leonard J. Walsh, President; Herman R. Josephson, Vice-President; Mac Mender, Vice-President; Robert R. Swiskay, Vice-President and Alvin R. Dantes, Cashier.

* * *

FRANKLIN NATIONAL BANK OF LONG ISLAND, MINNEOLA, N. Y.

	Mar. 31, '63	Dec. 31 '62
	$	$
Total resources	1,096,137,782	1,160,976,922
Deposits	977,627,574	1,043,906,948
Cash and due from banks	69,457,590	112,519,491
U. S. Govt. security holdgs.	204,010,787	224,389,393
Loans & discts.	545,790,732	578,000,870
Undivid. profits	4,077,870	7,562,794

* * *

The Comptroller of the Currency James J. Saxon on April 1 approved the application to merge the **First Agricultural National Bank of Berkshire County, Pittsfield, Mass.,** and the **National Mahaiwe Bank of Great Barrington, Great Barrington, Mass,** effective on or after April 8.

* * *

The **First New Haven National Bank, New Haven, Conn.** will open a new branch at the junction of Race Brook Road and Old Tavern Road near the Boston Post Road.

* * *

THE FIRST NATIONAL BANK OF PASSAIC, NEW JERSEY

	Mar. 31, '63	Dec. 31, '62
	$	$
Total resources	263,879,594	277;313.909
Deposits	235,319,539	251,957,109
Cash and due from banks	38,394,662	31,028,859
U. S. Government security holdings	50,371,566	61,714,850
Loans & discounts	139,102,767	78,170,142
Undivided profits	5,509 355	5,115,142

* * *

Benjamin Fairbanks, who retired in 1960 as President of the **United States Savings Bank of Newark N. J.** died March 30.

Mr. Fairbanks was an officer of the **National Bank of Commerce N. Y.** When the latter was merged with the **Guaranty Trust Company,** he was named a Vice-President.

In 1930 Mr. Fairbanks became Treasurer of the United States Savings Bank of Newark, and in 1933 its President.

* * *

The Comptroller of the Currency James J. Saxon on March 28 announced that he has given preliminary approval to organize a National Bank in Alexandria, Virginia.

Initial capitalization of the new bank will amount to $1,200,000, and it will be operated under the title **"The Colonial National Bank of Alexandria."**

* * *

Preliminary steps have been taken to merge the **State Bank of Toledo, Ohio** into the **Lucas County Bank** it was announced simultaneously by Clinton B. Ewell, President of the Lucas County Bank, and William L. Alexander Jr., President of the State Bank.

They reported that upon final approval the bank will be known as the **Lucas County State Bank.** Directors of both banks at meetings voted to recommend the merger to their stockholders. Special meetings of the stockholders will be scheduled.

In addition to ratification by the stockholders the proposed merger must be submitted to the Federal Deposit Insurance Corporation, the State of Ohio Banking Department, and other government agencies for approval.

Terms of the proposed merger have not been revealed pending completion of preliminaries.

The Lucas County Bank, as of its latest statement at the close of business March 18, had capital, surplus and undivided profits of $1,504,000 and deposits of $20,876,000. The State Bank of Toledo as of the same date had capital, surplus and undivided profits of $1,206,000 and deposits of $11,902,000.

* * *

On Jan. 28, 1963 the Comptroller of the Currency James J. Saxon approved the application of the $13,000,000 **Citizens Baughman National Bank of Sidney, Sidney, Ohio,** and the $1.8 million **Shelby County Bank, Botkins, Ohio,** to merge with the title **"The Citizens Baughman National Bank,"** effective on or after April 4.

* * *

The Comptroller of the Currency James J. Saxon on March 28 announced that he has given preliminary approval to organize a National Bank in Minneapolis, Minnesota.

Initial capitalization of the new bank will amount to $3,000,000, and it will be operated under the title **"National City Bank of Minneapolis."**

* * *

The Comptroller of the Currency James J. Saxon March 28 announced that he has given preliminary approval to organize a National Bank in Bartlesville, Oklahoma.

Initial capitalization of the new bank will amount to $500,000, and it will be operated under the title **"Plaza National Bank."**

* * *

The Comptroller of the Currency James J. Saxon March 28 announced that he has given preliminary approval to organize a National Bank in Atoka, Oklahoma.

Initial capitalization of the new bank will amount to $225,000, and it will be operated under the title **"First National Bank in Atoka."**

* * *

The Comptroller of the Currency James J. Saxon March 27 announced that he has given preliminary approval to organize a National Bank in Margate, Florida.

Initial capitalization of the new bank will amount to $600,000, and it will be operated under the title **"First National Bank of Margate."**

* * *

The Comptroller of the Currency James J. Saxon on March 28 announced that he has given preliminary approval to organize a National Bank in Dallas, Texas.

Initial capitalization of the new bank will amount to $500,000, and it will be operated under the title **"White Rock National Bank of Dallas."**

* * *

The **Bank of America, San Francisco, Calif.** promoted to Assistant Vice-Presidents at the head office George W. Hickman Jr. in the Appraisal department; Frank J. Keane in the Corporate Finance department, Theodore H. Lewis in the Cashiers department, James L. Laherty Jr. at the San Mateo district business development office. Moving to the head office as an Assistant Vice-President in the Loan Supervision department from Manager of the Santa Rosa branch is Scott O'Leary.

* * *

The **Bank of California, N. A. San Francisco, Calif.** appointed Irving A. Johnson, Jr., Angelo Venturelli and Houston White, Assistant Vice-Presidents at the new Southern California Headquarters in Los Angeles.

Mr. Johnson will head up the International Department in Los Angeles.

A native of Mutual, Utah, Mr. Venturelli entered banking in 1955 and will serve as Operations Officer. He was appointed Assistant Cashier in 1962.

Mr. White, is a Commercial Loan Officer and will continue in that capacity at the Los Angeles Office.

* * *

The Comptroller of the Currency James J. Saxon on March 28 announced that he has given preliminary approval to organize a National Bank in Portland, Oregon.

Initial capitalization of the new bank will amount to $1,000,000, and it will be operated under the title **"Union National Bank of Portland."**

* * *

The **North West Bank, Seattle, Washington** opened for business on April 1 with paid-in capital of $2,700,000. Somers H. White is President. He helped launch the new Guaranty Bank of Phoenix, Arizona. Prior to that, he was with the **Chase Manhattan Bank, New York.** Julian P. Jenner is Senior Vice-President.

* * *

The Royal Bank of Canada, Montreal, Canada, has announced the appointment of Georges H. Mercier as an Assistant General Manager with headquarters in Montreal. Formerly Supervisor, Commercial-Industrial Development at Head Office, Mr. Mercier takes up his new executive duties on May 1.

Proposed New NYSE Location

The New York Stock Exchange has made public the first illustrations of its proposed new location on lower Broad St., near Battery Park. A new 12-page booklet, "A Move Into the Future," contains artists' sketches showing how the 240,000-square-foot site might accommodate greatly expanded facilities planned by the Exchange to meet future needs.

The Exchange, in December, submitted a letter of intent to the City of New York Housing and Redevelopment Board, formally expressing its desire to purchase and redevelop the so-called Battery Park Urban Renewal Area. The Exchange agreed to pay the full cost of acquiring the land, with no subsidies or tax concessions involved.

In a foreword to the new booklet, Henry M. Watts Jr., Chairman of the Board of Governors, and Keith Funston, President of the Exchange, stated that the Battery Park site "would make possible a distinctive new Exchange headquarters, in keeping with our tradition of owning and controlling our own building." They said that the project "holds great promise, both for the Exchange and for the City."

Why the Consumer Industry Stocks Should Be Favored

Continued from page 3

ment opportunities. He then must proceed to the discovery of those activities which will benefit most from this phenomenon, both currently and in the future.

Consumption Oriented Industries

Consumption occurs in three areas — the purchase of durable goods such as automobiles and appliances; the purchase of non-durable goods such as food; and the purchase of services such as banking, insurance, etc. Historically, consumer purchases of non-durable goods have accounted for from 40% to 50% of Disposable Personal Income. This area of consumption is relatively immune to the vagaries of the business cycle and grows at a very constant rate. It is affected both by the population trend and rising standard of living. Since projections of population growth are very favorable, and our basic hypothesis is of a rising standard of living, this most important area of Disposable Personal Income should be heavily emphasized. The investor should consequently obtain substantial representation in such industries as food processing, soap and detergents, beverages, drugs (both ethical and proprietary), cosmetics and personal care firms.

The service area historically accounts for from 30 to 40% of Disposable Personal Income. In recent years it has been the fastest growing segment of consumption. In the decade between 1951 and 1961 purchase of services grew from approximately 31% to about 38% of Disposable Personal Income. Here the growth also has been both substantial and consistent. Areas open to investor interest include life insurance companies, retailing, banking, entertainment, and communications. Since there is a great prolification of companies in this area, especially in leisure time activities, great care must be taken in selecting the proper investment vehicle.

The consumer durable sector fluctuates rather erratically and has demonstrated the least total growth. The investor must be very agile here, since he may choose the wrong point of time in the business cycle in which to commit his funds. The really interesting area currently is the auto industry, with main reliance being placed on a new high plateau of auto consumption. This is based on the explosion in demand to be caused by the maturation of the so-called "war babies," and the increasing age of the current auto population, resulting in a substantially increased scrappage rate of old autos.

Recommends Industry Leaders

Whichever area of consumer goods manufacture the investor commits his funds to, it is incumbent upon him to pick only the industry leaders. Several basic economic facts impel him to this conclusion.

First, massive dosages of advertising aimed directly at the consuming public are essential to maintain current markets, and develop new ones. Industry leaders receive a significantly greater return on their advertising dollar since, in high volume mass production industries, the cost of advertising is spread over a substantially greater number of items produced.

Second, the return on invested capital of the industry leaders is historically superior, since the cost of capital and the depreciation of plant are also allocated over a greater number of items produced.

Third, only the leading companies possess the highly efficient marketing organizations and adequate financial resources which are prerequisites to the reinvestment of the huge sums necessary to support the research and product development which, in the final analysis, are the basis of future growth. In essence, the efficiencies inherent in existing large scale operations form the basis for future industry leadership. It is the rare company in this day of advanced technology which can start from a small base, and aspire to future market dominance in a consumer goods industry.

Since investor orientation is necessarily of a long term nature, realistic evaluation should impel him to disregard, to a certain extent, some of the relatively high price earnings multiples currently characterizing the leading investment opportunities. The old axiom, "you get what you pay for," probably deserves more emphasis in equity investments than most other areas of economic activity.

Favors Non-Durable Consumers Goods Industry

It is the nondurable consumer goods area which could justifiably form the nucleus of a well rounded equity portfolio. It is here where the investor will discover the largest number of quality companies which have demonstrated a historical ability to grow at a consistent and rapid rate. In the food group, *General Foods* and *Standard Brands* are two leaders which have always anticipated consumer tastes, and broadened and expanded current markets. They have led their competitors in the exploitation of convenience foods, catering to a rising standard of living and a large and expanding population of part-time housewives. Their intensive program of new product development has followed, and in many instances molded the modern revolution in consumer feeding habits. In the face of increasing competition, they have been able to constantly improve both their return on sales, and utilization of invested capital, and have established a pattern which other popular "growth" companies could well emulate.

Procter & Gamble and *Scott Paper* are two companies specializing in the personal care area which have met with outstanding success. Year after year, in spite of recessions, political dislocations, or interantional tensions, these companies have steadily increased both their sales, profit margins, and earnings. Procter & Gamble especially has benefited from the increasing national acceptance of detergents and other cleansing agents resulting from the preoccupation with personal cleanliness and the improved educational level of the population. The efficient marketing organizations of these companies give them a healthy lead over competition in developing and promoting the new products essential to future growth.

Perhaps the two leading ethical drugs producers are *Merck* and *Chas. Pfizer.* These companies possess a well rounded product line in the drug area, and their truly formidable research places them squarely in the forefront of new product developments. They have benefited from the increasing emphasis on health and the enhanced ability of consumers to expend substantial sums to combat illness. Future benefits will accrue from the rising proportion of the very young and relatively old in the population, both of which groups are above-average users of ethical drugs.

Bristol-Myers and *Warner Lambert* both have extensive ethical drug representation, but their primary reliance has been on proprietary drug items. Proprietary drugs can be purchased off the shelves of drug stores without prescription. Primary emphasis in this area is on a superior marketing organization and both of these companies historically outperform their competition in the development and the merchandising of new products.

In the cosmetic area, the leader by far has been *Avon Products* with its uniquely successful door-to-door selling concept. This company produces a superior product and merchandises it directly to consumers. Its earnings growth has been extraordinary and qualifies it as one of the exceptional investment opportunities currently available.

In the past five years, *Anheuser Busch* has overtaken its competition and, through internal growth exclusively, has become the dominant factor in the domestic brewing industry. Its modern plant renders it the lowest cost producer of brewery products. New plant installations have barely been able to keep pace with the burgeoning demand resulting from the initiation of national distribution of all its product lines. Since the attractiveness of this stock is somewhat limited by the one product nature of the company's output, purchases should be made on an extremely selective basis.

Among the service oriented companies, primary investment emphasis should properly be placed upon the stock of *American Telephone & Telegraph Co.,* which, although generating vast revenues from industrial sales, will benefit greatly from the rapidly increasing consumer utilization of telephonic communication. Technological development such as Direct Distance Dialing and improving levels of consumer income and education should greatly broaden the lucrative market for these communications services. A.T.&T. has led in these innovations in the past and the demonstrated aggressiveness of management indicates a continuation of these activities in the future.

The Dominant Retailers

Retailing is the leading industry in the consumer service area. Since the tendency of consumers is to spend a large portion of their increasing incomes on the retail level, this industry appears to possess a structural bias towards growth. Here again, the industry is characterized by a small number of companies which truly merit inclusion in equity portfolios. *Sears Roebuck* is the dominant company in the retailing field. Its nationwide store system and its extensive mail order activities effectively cover the national market. Its consumer "image" resulting from a policy of quality products at a reasonable price is exceptionally good. The company has a profitable insurance subsidiary, and is rapidly branching into travel and other personal service areas. Its goal is to eventually become a "department store of consumer services." There is little doubt that the company's vast financial resources, excellent consumer reputation, and fine marketing organization will enable it to achieve this goal.

The accompanying table lists certain operating characteristics of the various companies mentioned in this discussion. The historic growth rate was arrived at by a projection of the earnings history of the past five to ten years. It represents the best available judgment as to the potential earnings performance and is, of course, subject to the fallibilities inherent in all such estimates. It must be strongly emphasized that this table is by no means an all inclusive list of investment opportunities available in the consumption area of the economy. The necessity of a reasonable amount of brevity has precluded the mention of a very large number of other meritorious companies.

Associated Dry Goods and *Federated Department Stores* are two retail department store chains which have compiled excellent earnings records in recent years Associated caters more to a luxury type market, and Federated to the middle income classes. A package of these two fine companies will give the investor adequate representation in the department store field.

It should be noted here that all three of these retailing companies have successfully adjusted to the competition from "discounting" and have apparently thrived on the conflict.

The *Great Atlantic & Pacific Tea Company* is the largest factor in the food retailing industry. Although hampered somewhat in recent years by an overly conservative management, this "sleeping giant" has the financial resources, market coverage, and consumer acceptance necessary to turn in an exceptional record given the adequate incentive of an aggressive management. The purchase of the stock of this prime company should well reward the patient investor when its latent capacities are realized.

Howard Johnson is a company which, though certainly not of the investment quality of several of the companies previously mentioned, deserves consideration as a somewhat more speculative commitment. The company has compiled an outstanding record of growth in recent years through its extensive network of roadside restaurants. It is currently expanding aggressively in the highway motel field, and should effectively participate in a projected economy characterized by increasing leisure time and expanding population mobility.

Financial Service Firms

The financial service area of consumer activity has been growing quite consistently, with stock life insurance companies compiling outstanding records. The life insurance industry has been in a unique position to benefit from the greatly increased life expectancy of the population, which should continue to improve in the future as a result of the vast sums being spent on medical research. This improving mortality rate enables these companies to accrue a greater amount of premiums for longer periods, and through the investment of these vast sums add substantial investment income to their underwriting profits.

Aetna Life and *Connecticut General Life* are two of the largest publicly owned companies in this industry and merit particular consideration for inclusion in in-

REPRESENTATIVE CONSUMER INDUSTRY STOCKS

Company—	*Historic Growth Rate (5-10 yrs.)	Earnings per Share 1962	1961	Recent Price	Indicated Dividend	Price Times 1962 E/P/S	Where Traded
Aetna Life Insurance Co.	5%	‡$7.31	‡$6.00	$143	$1.80	20	OTC
Connecticut General Life Ins.	5	‡5.77	‡5.53	149	0.90	26	OTC
Bankers Trust Company	9	3.44	3.43	56	2.00	16	OTC
Chase Manhattan Bank	9	5.16	5.05	84	2.60	16	OTC
Anheuser Busch	6	3.47	3.26	54	1.60	16	OTC
Avon Products	18	2.65	2.17	101	1.80	38	OTC
General Foods	10	3.10	2.90	79	1.80	25	NYSE
Standard Brands	7	2.98	2.75	68	2.00	23	NYSE
Procter & Gamble	10	†2.70	2.55	72	1.60	27	NYSE
Scott Paper	6	1.23	1.16	32	0.80	26	NYSE
Chas. Pfizer	8	1.93	1.74	50	1.05	26	NYSE
Merck	5	2.70	2.51	83	1.80	31	NYSE
Bristol-Myers	15	3.06	2.46	93	1.60	30	NYSE
Warner Lambert	5	1.20	1.09	26	0.70	22	NYSE
American Telephone & Telegraph	5	5.71	5.44	120	3.60	21	NYSE
Sears Roebuck	5	†3.00	2.76	79	1.65	26	NYSE
Associated Dry Goods	6	†2.55	2.57	49	1.40	19	NYSE
Federated Department Stores	5	†2.25	2.14	45	1.20	20	NYSE
A. & P.	7	†2.45	2.45	47	1.70	19	NYSE
Howard Johnson	18	2.09	1.86	44	---	21	NYSE
¶Chrysler	--	7.24	1.24	96	2.00	13	NYSE
General Motors	3	4.83	3.11	68	2.50	14	NYSE

*Based on trend of last 5 to 10 years as plotted on a graph. †Estimated. ‡Adjusted.
¶A two-for-one stock split proposal will be considered by shareholders on April 16.

vestor portfolios. They have compiled an outstanding record of growth and are in an excellent position to benefit further from the projection of an increasing population coupled with a much higher level of per capita Disposable Personal Income. The improving educational standards, especially the large projection of college graduates, also indicates an enhanced national acceptance of life insurance. These factors combine to make the long-term prospects of life insurance companies very bright indeed.

Commercial Banking, although not exclusively a consumer service, should be included in this discussion. This industry has in recent years aggresively entered the consumer loan market, so that it currently is the largest extender of this very lucrative type of credit. Banks have also expanded their activities in the growing area of personal investment services, providing experienced counsel in the Personal Trust, Estate Planning, and Pension Trust areas. They have long been characterized by a fairly regular trend of earnings, with a stable, if unspectacular, record of growth. The investor should limit his interest here to banks operating in large urban centers, since it is only in these areas where they have been able to grow to a sufficiently large size to enable them to operate in sophisticated money markets and obtain the worldwide reputation indispensable to banking growth. Only the large urban banks have the financial resources necessary to initiate the extensive automation programs which promise so much for future earnings.

Chase Manhattan Bank and *Bankers Trust Company* are two large "money market" banks operating in New York City. They have extensive international operations, and are well situated to benefit from the increasing flow of world trade. They both possess extensive branch systems and a strong nationwide chain of banking connections which are so necessary to participate in domestic expansion. They are leaders in automation, which should benefit both substantially since their labor costs are averaging about 50% of total costs. The patient investor should be well rewarded for his interest in these top level financial service companies.

Prefers Autos Among Consumer Durables

The consumer durable goods sector is the remaining area of consumer expenditure to be examined. For purposes of this discussion, the range of alternatives opened to the investor will be limited to the auto industry. This industry has probably arrived at a new era of increased consumption based upon the improving population mix and the increasing scrappage rate of older autos. Two companies in this industry merit particular discussion.

General Motors, the acknowledged industry leader, has an abundance of those characteristics mentioned previously with reference to other companies. It is probably financially stronger than any other industrial company in the world; its management and executive organization have been paid the supreme compliment of imitation by its competition; its marketing organization, encompassing an uncanny ability to forecast changing consumer pace and styles, is superlative. An investment in this company would enable the investor to participate in the projected growth of the durable goods sector.

The investor who is willing and able to speculate on the potential accomplishments of a new, dynamic management, should examine the possibilities inherent in *Chrysler*. This company is in the throes of a classic turnaround in its operations, and is truly a "comeback" situation. Its earnings should set a historic high in 1963, and the future possibilities are limited only by the projected growth in the level of the economy.

The above paragraphs synopsize the hypothesis that the next several decades will witness a growth in the economic activity of this nation undreamed of at the present time. The consumer, through his ever increasing ability to spend, will lead the economic parade. Those companies catering to the satisfaction of his needs will benefit most from this projected growth. Prime investment emphasis should be placed in the nondurable goods field. It is here that the greatest number of seasoned, proven companies are available for purchase. The consumer service area is the most rapidly growing, but here the investor needs large doses of judgment and skill in his choice. If the risks of the business cycle are able to be borne, the auto industry offers the best investment opportunity in the consumer durable goods area.

In all his choices, the long-term investor *must* limit his field of interest to the leading "blue chip" companies in the industry. He must also be willing to pay the asking price for his participation in the future. The lesson of 1962 has been dearly learned. There is no compromise to quality.

NASD & ASE To Merge Procedures For Reg. Reps.

The National Association of Securities Dealers, the New York Stock Exchange and the American Stock Exchange have announced plans to combine their procedures for administering registered representatives' examinations in 63 centrally located NASD test centers throughout the United States.

The new arrangement is designed to provide more uniformity and convenience for member firms and candidates. The development culminated three years of intra-industry effort to revise and coordinate examination systems.

The testing program will go into effect July 1, the three organizations said in a joint announcement. It will institute a single basic securities industry test, with special NASD, New York Stock Exchange and American Stock Exchange sections.

The NASD, which is the self-regulatory arm of the over-the-counter market, includes some 600 New York and American Exchange firms in its membership, as well as some 4,150 firms not belonging to either of these exchanges. All three organizations require registration of member firm employees who will handle the public's orders. Registration is based on candidates passing tests and satisfying other requirements.

The new system will enable applicants seeking registration with firms that are members of the NASD and one or both of the exchanges to be examined at a single sitting in a convenient location. Under present procedures, applicants for registration with NASD firms take separate tests at NASD test centers at universities across the country. If their firms are New York Stock Exchange or American Stock Exchange members also, the applicants must take separate tests, sometimes in different cities.

Under the new system, candidates who seek to register only with the NASD will take the general and NASD sections of the test covering the Association's rules and questions common to all areas of the securities business and lasting two hours. Those also seeking to register with either the New York or American Exchange will take an appropriate additional section dealing with trading on the exchanges and their constitutions and rules. An Exchange section will last about an hour.

In the case of candidates seeking registration by both exchanges, the American Exchange will accept passing of the New York Stock Exchange section. Where a candidate's firm is a member of the American Exchange only, a test newly developed by that Exchange will be used.

All three organizations have worked with The Psychological Corporation in composing objective, multpile-choice type examinations to replace older systems. The Psychological Corporation is a leading developer of testing programs for business, government and educational institutions.

The New York Stock Exchange's present test has been given at Psychological Corporation testing centers in different parts of the country since Jan. 1, 1961. The NASD instituted a similar test—given at the NASD test centers which will be used in the new joint program—on Jan. 1, 1962. The American Exchange, which has administered its own tests, recently announced adoption of a similar examination to go into effect with the new system on July 1.

Candidates will be graded on their answers to all questions. Passing scores will be set at the same level of difficulty as for present examinations.

The NASD's 63 testing centers will also be used for administration of qualification tests required for new members and allied members of the New York Exchange—that is, all new general partners and voting stockholders of member organizaions. These tests are now given at The Psychological Corporation centers.

Montag Joins Westheimer

COLUMBUS, Ohio — George M. Montag has become associated with Westheimer & Co., 31 East Gay Street. Mr. Montag was formerly local manager for Wm. J. Mericka & Co., Inc., and prior thereto was with John B. Joyce & Co.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The capital market is an in between period or marking time because it is waiting for the impending offer of $300 million of Government bonds due May 15, 1994 but callable on or after May 15, 1989. This large size competitive (bidding) new money raising bond will be auctioned off by the Treasury next Tuesday, April 9, at 11 a.m. It is indicated that there will be the same four bidders comprising about the same members as there were in the very successful January offering when the Treasury sold $250 million of 30-year bonds at an interest cost of 4.008210%. It is expected that competition will be just as keen and close this time.

The near-term market is being kept from going down in yield through the debt management of the Treasury which is to keep the money market well supplied with attractive short-term liquid obligations.

The influence which the international balance of payments is exercising on our money and capital markets is so pronounced that the powers that be are very much limited in the kind of action that can be taken to improve the domestic economic situation. There is no question but what measures to revive the economy through credit policies and debt management would be geared much more toward the domestic business pattern and its stimulation if it were not for that conditioning factor in the form of our unfavorable balance of payments which we will not only face this year but also for the foreseeable future in the opinion of many money market specialists.

No Radical Change in Interest Rates Envisaged

Even though it will always be a debatable point, namely whether or not high or low interest rates retard or stimulate the economy, there is no question but what a sizable segment of the Congress, as well as an important part of the population, as a whole, have been pretty well sold on the idea that low interest rates are at least not harmful to a business revival.

However, it seems as though it can be fairly well taken for granted for the foreseeable future that the level of long- and short-term interest rates are not going to decline very much unless there is a free world reduction in these rates. The reason for this is that there is no inclination on our part to aggravate our unfavorable balance of payments by having sizable amounts of money leave here because more favorable rates of return can be obtained in other free world money centers.

If the monetary authorities and the Treasury through their credit and debt management policies are able to keep short-term rates from going down and long-term rates from going up they will be doing a very successful job and one which not a few money market followers still say cannot be done.

Enlarged Credit Demands Could Alter Picture

There is no question but with improvement in the business pattern there will be an enlarging demand for money and credit and this should result in naturally higher levels of interest rates for both short- and long-term obligations. This kind of a higher pattern of interest rates which would come about without artificial stimulation would be a most welcome development since it would mean that the economy would have shaken off its lethargic condition and the unemployment situation which has been such a problem would most likely be on its way to a solution.

In addition, a revival of our economy would not be a deterrent to our balance of payments problem since better business in this country should also have a favorable influence on the economies of other free world nations. In this way our larger imports would be offset by larger exports.

Foreign Borrowing in U. S. Continues Heavy

The long-term interest rate level is still low enough so that financing by foreign concerns goes on in sizable amounts with no indications that there will be a slow down in the foreseeable future. In addition, the very large size of our capital market means that only a very sharply higher long-term interest rate would discourage this kind of borrowing because there is no other free world money center sizable enough to supply this kind of credit to foreign borrowers. This type of borrowing aggravates our balance of payment problem.

15 of 53 Industry Groups Registered Stock Price Gains in February

Despite a 3.7% drop in stock prices in February, as measured by Moody's 125 Industrial Stock Average, 15 of the 53 major industry stock groups managed to make gains on the month. The leaders were the Biscuit Makers, up 5.7%, and the Farm Machinery and Railroad Equipment groups, both against the trend with a 5.2% monthly improvement. Motion Picture issues led the list of February losers with a 6.1% dip in average per-share prices, followed by Coal Mining shares, off 5.1%, and Aluminum and Metal Fabricating issues, which both showed a larger than average 4.5% decline.

Although February stock price changes were relatively narrow, a year-to-year comparison showed wide variation between industry groups. Moody's 125 Industrials were down only 7.3% at the end of February from levels at the end of February, 1962, but Cigarette shares were off a full 43.3% on the year, Motion Picture issues showed a 29.5% loss, and Major Steel Producers a 26.8% decline. Only 11 stock groups sold at higher prices at February month-end than they did at the close of the 1962 month, and gains were relatively small, including Automobiles, up 8.6%, and Biscuit Makers, up 8.4%.

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.

Allied Mortgage & Development Co., Inc.
Jan. 28, 1963, filed $2,000,000 of 6% subordinated sinking fund debentures due 1973 (with warrants) and 100,000 common, to be offered in units of one $20 debenture (with a warrant to purchase two shares) and one common share. **Price**—By amendment. **Business**—Mortgage banking, real estate development, and sale of insurance. **Proceeds** — For debt repayment, land development, and working capital. **Office** — 3756 Lamar Ave., Memphis, Tenn. **Underwriter**—To be named.

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 Mortgage Insurance Co.
Jan. 10, 1963 filed 31,070 common to be offered for subscription by stockholders on the basis of one share for each five shares held. **Price**—$18. **Business**—A mortgage insurance company. **Proceeds** — For investments. **Office**—300 St. Salisbury St., Raleigh, N. C. **Underwriter**—None.

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).

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 100,000 common. **Price**—$5.50. **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**—Emanuel, Deetje &n Co., New York. **Offering**—Imminent.

Arkansas Louisiana Gas Co. (4/15-19)
March 25, 1963 filed $45,000,000 of first mortgage bonds due 1983. **Price**—By amendment. **Proceeds**—For construction, loan repayment and investment in subsidiaries. **Office**—Slattery Bldg., Shreveport, La. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

Associated Mortgage Co., Inc. (4/22-26)
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.

Australia (Commonwealth of) (4/11)
March 22, 1963 filed $30,000,000 of s. f. bonds due 1983. **Price** — By amendment. **Proceeds** — To finance various public works projects in Australia. **Underwriter**—Morgan Stanley & Co., New York.

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. **Offering**—Indefinite.

Bonanza Gold, Inc.
March 4, 1963 ("Reg. A") 750,000 common. **Price**—20 cents. **Business**—Exploration and development of gold placer claims in Alaska. **Proceeds**—For general corporate purposes. **Office**—E. 15 Walton Ave., Spokane. **Underwriter**—Duval Securities, Spokane.

• Brewmaster California Corp.
Feb. 11, 1963 ("Reg. A") 30,000 common. **Price**—$10. **Business**—Wholesaling of draft beer for home use in a dispenser called the "Portatainer". **Proceeds**—For debt repayment, equipment, expansion and working capital. **Office**—134 Industrial Way, Costa Mesa, Calif. **Underwriter**—Miller, Fox & Co., Anaheim, Calif. **Offering**—Expected in late April.

Bush Hog, Inc. (4/22-26)
March 19, 1963 filed $1,000,000 of 6½% convertible subordinated debentures due 1973, to be sold by the company; and 200,000 common to be sold by stockholders. The offering will be made in units of one $10 debenture and two common shares. **Price**—$28 per unit. **Business**—Manufacture of farm machinery. **Proceeds**—For debt repayment, inventory, and working capital. **Address**—P. O. Box 1039 Selma, Ala. **Underwriter**—Courts & Co., Atlanta, Ga.

Cabot Corp. (4/22-26)
March 11, 1963 filed 295,140 common. **Price**—By amendment (max. $42). **Business**—Production of carbon black, natural gas, condensate, crude oil and oil field pump-equipment. Company also operates a natural gas utility in West Virginia, and manufactures various materials for use in the rubber, paint, ceramic, and plastic industries. **Proceeds**—For selling stockholders. **Office**—125 High St., Boston. **Underwriters** — Carl M. Loeb, Rhoades & Co., and White, Weld & Co., Inc., New York.

Canaveral Hills Enterprises, Inc. (4-15)
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.

Cash-O-Matic Coupon Corp.
Feb. 15, 1963 ("Reg. A") 800 units, each consisting of 100 common shares and 10 stock purchase warrants. **Price**—$250 per unit. **Business**—Merchandising of coupons by vending machines in supermarkets. **Proceeds**—For equipment, debt repayment and other corporate purposes. **Office**—682 Main St., Stamford, Conn. **Underwriter**—Reese, Scheftel & Co., Inc., New York.

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, Inc. **Proceeds**—To construct a sewage disposal system. **Address**—R.R. N. 3, Box 28, Cedar Lake, Ind. **Underwriter**—None.

Centennial Life Insurance Co.
March 6, 1963 filed 260,000 capital shares. **Price**—By amendment (max. $3). **Business**—Company is engaged in writing life insurance in Oregon and Washington. **Proceeds**—For additional capital and surplus. **Office**—811 S. W. Sixth, Portland, Oregon. **Underwriter**—June S. Jones Co., Portland.

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.

Chesapeake Fund, Inc.
March 5, 1963 filed 100,000 common. **Price** — Net asset value. **Business** — A closed-end investment company. **Proceeds**—For investment. **Office** — 156 South St., Annapolis, Md. **Underwriter**—None.

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.

Citadel Life Insurance Co. of New York
March 26, 1963 filed 40,000 capital shares to be offered for subscription by stockholders on the basis of two new shares for each three held. **Price**—By amendment (max. $26). **Business**—Writing of life, accident, health and disability insurance, and annuities. **Proceeds**—For expansion. **Office**—444 Madison Ave., N. Y. **Underwriter**—Alex. Brown & Sons, Baltimore.

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. **Offering**—Indefinite.

• Common Market Fund, Inc.
March 7, 1963 filed 2,000,000 capital shares. **Price**—Net asset value plus 8.5%. **Business**—A new mutual fund specializing in securities of foreign and American companies operating in the European Common Market. **Proceeds**—For investment. **Office**—9465 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—Kennedy, Cabot & Co. (same address). **Offering**—Expected in May.

Consolidated Edison Co. of New York, Inc.
Feb. 26, 1963, filed 1,343,117 common being offered for subscription by stockholders on the basis of one new share for each 12 common held of record March 15, with rights to expire April 5. **Price**—$80. **Proceeds**—To repay bank loans, and for construction. **Office** — 4 Irving Place, New York. **Underwriters**—Morgan Stanley & Co., and First Boston Corp., New York.

Consolidated Leasing Corp. of America
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, and acquisition and other corporate purposes. **Office**—1012 Baltimore Ave., Kansas City, Mo. **Underwriter**—Blair & Co., N. Y. **Offering**—Indefinite.

Consolidated Natural Gas Co. (4/23)
March 26, 1963 filed $35,000,000 of debentures due April 1, 1988. **Business**—A holding company for six subsidiaries engaged in all phases of the natural gas business. **Proceeds**—For loan repayment, and construction. **Office**—30 Rockefeller Plaza, New York. **Underwriters**—(Competitive.) Probable bidders: White, Weld & Co.-Paine, Webber, Jackson & Curtis (jointly); Morgan Stanley & Co.; Halsey, Stuart & Co. Inc.; First Boston Corp. **Bids**—April 23 (11:30 a.m. EST) at above address. **Information Meeting**—April 18 (10:30 a.m. EST) at the Bankers Club, 120 Broadway, New York.

Consolidated Oil & Gas, Inc.
Feb. 28, 1963, filed $2,482,500 of 6% sinking fund debentures due 1975 (with warrants) to be offered for subscription by common stockholders on the basis of $500 of debentures for each 500 shares held of record March 31. **Price**—At par. **Business**—Company is engaged in the acquisition of oil and gas leaseholds. **Proceeds**—For note repayment and working capital. **Address** — 4150 East Mexico Ave., Denver. **Underwriter**—None.

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. (4/15-19)
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. **Offering**—Indefinite.

Copenhagen Telephone Co., Inc. (4/9)
March 20, 1963 filed $15,000,000 sinking fund dollar debentures due 1978. **Price**—By amendment. **Proceeds**—For construction. **Address**—Copenhagen, Denmark. **Underwriters**—Smith, Barney & Co., Inc.; Kuhn, Loeb & Co., Inc.; Harriman Ripley & Co., Inc.; Lazard Freres & Co., New York.

Cotton States Life Insurance Co. (4/15)
Feb. 11, 1963 ("Reg. A") 30,000 capital shares. **Price**—By amendment. **Business**—Writing of life, health and accident insurance in Alabama and Georgia. **Proceeds**—For working capital. **Office**—901-22 Ave., Tuscaloosa, Ala. **Underwriter**—First Alabama Securities, Inc., Montgomery, Ala.

Crowell-Collier Publishing Co. (4/15)
March 11, 1963 filed $5,500,000 convertible subordinated debentures due 1983, to be offered for subscription by common stockholders on the basis of $100 of debentures for each 60 shares held of record April 15, with rights to expire April 30. **Price** — At par. **Business** — Publication of various types of educational texts and related materials, and the operation of a home study school and radio broadcasting facilities. **Proceeds** — For working capital and loan repayment. **Office**—640 Fifth Ave., N. Y. **Underwriter**—Carl M. Loeb, Rhoades & Co., N. Y.

Danac Real Estate Investment Corp.
Feb. 1, 1963 filed 300,000 common. **Price**—$10. **Business**—Real estate development and ownership. Company plans to deal primarily in commercial, light industrial and apartment properties. **Proceeds**—For debt repayment, and other corporate purposes. **Office**—1710 Chapman Ave., Rockville, Md. **Underwriter** — Ferris & Co., Washington, D. C.

Defenders Insurance Co.
Jan. 30, 1963 filed 100,000 common. **Price**—$12.50. **Business** — Company plans to write automobile insurance. **Proceeds**—For general corporate purposes. **Office**—146 Old Country Rd., Mineola, N. Y. **Underwriter**—None.

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 Resources, Inc.
Jan. 16, 1963 ("Reg. A") 67,000 common. **Price**—$3. **Business**—Manufacture of a lightweight structural board and sheet insulating material (wallboard). **Proceeds**—For equipment, leasing of working space, advertising, and working capital. **Office**—42 Broadway, N. Y. **Underwriter**—A. J. Gabriel Co., Inc., New York.

● **Dixie Lime & Stone Co.**
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. **Note** — This registration will be withdrawn.

● **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 issued a stop order suspending this registration statement.

Donmoor-Isaacson, Inc.
Feb. 26, 1962 filed 150,000 common, of which 50,000 are to be offered by the company and 100,000 by stockholders. **Price**—By amendment (max. $12). **Business**—Design and manufacture of boys knit shirts, sweaters, and pajamas. **Proceeds**—For working capital. **Office**—1115 Broadway, N. Y. **Underwriter**—Goodbody & Co., New York. **Offering**—Indefinitely postponed.

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.,

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NEW ISSUE CALENDAR

April 5 (Friday)
Inter-Mountain Telephone Co.____________Common
(Offering to stockholders—underwrtten by Courts & Co.) 146,228 shares

April 8 (Monday)
Financial Federation, Inc.____________Capital Stock
(Kidder, Peabody & Co. and McDonnell & Co., Inc.) 800,000 shs.
Life & Casualty Insurance Co. of Tennessee___Com.
(Goldman, Sachs & Co. and Equitable Securities Corp.) 500,000 shares
Manchester Insurance Management & Investment Corp.____________Common
(Troster, Singer & Co.) $955,293
Quick-N-Clean Corp. of Minnesota, Inc.___Common
(Northwest Securities, Inc.) $235,750
Western Light & Telephone Co., Inc.______Common
(Offering to stockholders underwritten by Dean Witter & Co.) 115,339 shares
Wisconsin Michigan Power Co.____________Bonds
(Bids 12 noon EST) $6,000,000

April 9 (Tuesday)
Copenhagen Telephone Co., Inc.________Debentures
(Smith, Barney & Co., Inc.; Kuhn, Loeb & Co., Inc.; Harriman Ripley & Co., Inc.; Lazard Freres & Co.) $15,000,000
Missouri Pacific RR.__________Equip. Trust Ctfs.
(Bids 12 noon CST) $4,500,000
National Fidelity Life Insurance Co.______Common
(E. F. Hutton & Co., Inc.) 72,455 shares

April 10 (Wednesday)
General Real Estate Fund________________Shares
(Baker, Simonds & Co., Inc. and Alex. Brown & Sons) $1,320,000
Highland Development Corp.______________Common
(Hyder & Co.) $300,000

April 11 (Thursday)
Australia (Commonwealth of)______________Bonds
(Morgan Stanley & Co.) $30,000,000

April 15 (Monday)
Arkansas Louisiana Gas Co.________________Bonds
(Eastman Dillon, Union Securities & Co.) $45,000,000
Canaveral Hills Enterprises, Inc.__________Common
(Willis E. Burnside & Co., Inc.) $500,000
Consultant's Mutual Investments, Inc.______Common
(Gerstley, Sunstein & Co.) $5,000,000
Cotton States Life Insurance Co.______Capital Stock
(First Alabama Securities, Inc.) 30,000 shares
Crowell-Collier Publishing Co.__________Debentures
(Offering to stockholders—underwritten by Carl M. Loeb, Rhoades & Co.) $5,500,000
Utah Power & Light Co.____________________Bonds
(Bids 11:30 a.m. EST) $15,000,000

April 16 (Tuesday)
Pacific Northwest Bell Telephone Co.______Debens.
(Bids 11 a.m. EST) $50,000,000
Reynolds & Reynolds Co.__________Class A Common
(Glore, Forgan & Co. and Grant-Brownell & Co.) 120,000 shares

April 17 (Wednesday)
Northern Indiana Public Service Co.________Bonds
(Bids 11 a.m. CST) $30,000,000

April 22 (Monday)
Associated Mortgage Co., Inc.______________Common
(Shields & Co., Inc.) 135,205 shares
Bush Hog, Inc.________________________Debentures
(Courts & Co.) $2,800,000
Cabot Corp.______________________________Common
(Carl M. Loeb, Rhoades & Co., and White, Weld & Co., Inc.) 295,140 shares
Great Eastern Insurance Co.________________Common
(Emanuel, Deetjen & Co. and Zuckerman, Smith & Co.) $1,908,000
Investors Trading Co.________________Capital Stock
(Nemrava & Co.) 200,000 shares
Laboratory Procedures Inc.__________________Common
(Charles Plohn & Co. and B. W. Pizzini & Co.) $225,000
Lunar Films, Inc.__________________________Common
(Ingram, Lambert & Stephen, Inc.) $718,750
Mil National Corp.__________________________Common
(Herbert Young & Co., Inc.) $376,000
Mortgage Guaranty Insurance Co.____________Common
(Hornblower & Weeks and Robert W. Baird & Co., Inc.) 200,000 shares
Norfolk & Western Ry.__________Equip. Trust Ctfs.
(Bids 12 noon EST) $4,500,000
Roberts Co.________________________________Common
(Reynolds & Co., Inc. and Lester, Ryons & Co.) 130,000 shares
Southern California Edison Co.______________Bonds
(Bids to be received) $60,000,000
United Camera Exchange, Inc.______________Common
(Ingram, Lambert & Stephen, Inc.) $300,000
United Saran & Plastic Corp. Ltd.____________Units
(Brager & Co.) $503,250
Vend-Mart Inc.______________________________Common
(M. G. Davis & Co., Inc.) $240,000

April 23 (Tuesday)
Consolidated Natural Gas Co.__________Debentures
(Bids 11:30 a.m. EST) $35,000,000
Tennessee Gas Transmission Co.__________Preferred
(Stone & Webster Securities Corp. and White, Weld & Co.) 200,000 shares
Tri-Continental Corp.______________________Preferred
(Eastman Dillon, Union Securities Corp.) Max. of 240,000 shares
Victor Comptometer Corp.__________________Common
(Glore, Forgan & Co.) 250,000 shares
Victor Comptometer Corp.______________Debentures
(Glore, Forgan & Co.) $15,000,000

April 24 (Wednesday)
Lord Jim's Service Systems, Inc.________Common
(Keon & Co.) $100,000
Tampa Electric Co.__________________________Bonds
(Bids 11 a.m. EST) $48,000,000

April 25 (Thursday)
Chicago, Rock Island & Pacific Railroad__________________Equip. Trust Ctfs.
(Bids 12 noon CST) $2,625,000

April 26 (Friday)
Mitsui & Co., Ltd.____________________________ADS
(Smith, Barney & Co., Inc. and Nomura Securities Co., Ltd.) 125,000 shares
Mitsui & Co., Ltd.______________________Debentures
(Smith, Barney & Co., Inc. and Nomura Securities Co. Ltd.) $10,000,000

April 29 (Monday)
Holly Sugar Corp.______________________Debentures
(Eastman Dillon, Union Securities & Co.) $10,000,000
Liberty Fabrics of New York, Inc.__________Common
(Offering to stockholders—underwritten by Blair & Co., Inc.) 108,700 shares

May 1 (Wednesday)
Exchange Fund of Boston, Inc.______________Common
(Vance, Sanders & Co., Inc.) 1,100,000 shares
Portland General Electric Co.______________Common
(Blyth & Co., Inc.) 725,302 shares

May 2 (Thursday)
Natural Gas & Oil Producing Co.__________Common
(Peter Morgan & Co.) $900,000

May 6 (Monday)
General Automotive Parts Corp.__________Common
(Hornblower & Weeks) 200,000 shares
Orr (J. Herbert) Enterprises, Inc.________Common
(First Alabama Securities, Inc.) $1,050,000
Southeastern Mortgage Investors Tr.______Ben. Int.
(Fleetwood Securities Corp. of America) $11,000,000
Sternco Industries, Inc.____________________Class A
(Oppenheimer & Co.) 25,000 shares
Sternco Industries, Inc.________________Debentures
(Oppenheimer & Co.) $400,000

May 8 (Wednesday)
Chicago Burlington & Quincy RR. Equip. Trust Ctfs.
(Bids 12 noon CDST) $4,500,000
General Telephone Co. of California__________Bonds
(Bids 11 a.m. EDST) $25,000,000

May 9 (Thursday)
Alabama Power Co.__________________________Bonds
(Bids to be received) $16,000,000
Alabama Power Co.________________________Preferred
(Bids to be received) $5,000,000

May 14 (Tuesday)
Virginia Electric & Power Co.______________Bonds
(Bids 11 a.m. EDST) $30,000,000

May 15 (Wednesday)
Chicago Union Station Co.__________________Bonds
(Bids to be received) $49,000,000

May 20 (Monday)
Maradel Products, Inc.______________________Common
(Hornblower & Weeks) 150,000 shares

May 21 (Tuesday)
Central Illinois Public Service Co.__________Bonds
(Bids to be received) $10,000,000
Great Northern Ry.______________Equip. Trust Ctfs.
(Bids 12 noon EDST) $6,600,000

May 22 (Wednesday)
Interstate Power Co.________________________Bonds
(Bids 11 a.m. EDST) $6,000,000
Interstate Power Co.______________________Common
(Offering to stockholders—bids 11:30 a.m. EDST) 154,914 shares

June 6 (Thursday)
Columbia Gas System, Inc.______________Debentures
(Bids to be received) $25,000,000

June 11 (Tuesday)
Indiana Bell Telephone Co., Inc.________Debentures
(Bids 11 a.m. EDST) $20,000,000

June 18 (Tuesday)
Public Service Electric & Gas Co.__________Bonds
(Bids 11 a.m. EDST) $40,000,000

August 6 (Tuesday)
Indiana & Michigan Electric Co.____________Bonds
(Bids to be received) $45,000,000

November 7 (Thursday)
Georgia Power Co.__________________________Bonds
(Bids to be received) $30,000,000
Georgia Power Co.________________________Preferred
(Bids to be received) $7,000,000

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North Bergen, N. J. **Underwriter**—Auchincloss, Parker & Redpath, New York. **Offering** — Temporarily postponed.

Dynapower Systems Corp.
Sept. 28, 1962 filed 150,000 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.

Economou (Arthur N.) & Co., Inc.
March 18, 1963 ("Reg. A") 60,000 common. **Price**—$5. **Business**—Commodity price analysis, commodity trading account management, and commodity futures brokerage. **Proceeds**—For expansion. **Office**—902 Wells Bldg., Milwaukee. **Underwriter**—None.

Electronic Dispenser Corp.
Jan. 29, 1963, filed 50,000 common. **Price**—$2. **Business**—Manufacture of the SAFER Butter Chipping machine, and processing of tray-forming and chip-covering materials. **Proceeds**—For operating expenses, equipment, inventory and advertising. **Office**—118 E. 28th St., New York. **Underwriter**—L. D. Brown Co., New York.

● **Enzyme Corp. of America**
Feb. 21, 1963, filed 120,000 common. **Price**—$2. **Business**—Company plans to market a new drug known as "Clinizyne" to be used for treatment of a variety of tumor related diseases. **Proceeds**—For equipment, sales promotion, research and development, and working capital. **Office**—727 Land Title Bldg., Philadelphia. **Underwriter**—Bristol Securities Inc., New York. **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.**

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 Mining Investments Ltd.
Nov. 30, 1961 filed 800,000 common. **Price**—By amendment. **Business**—Exploration and testing of mining properties. **Proceeds**—For general corporate purposes. **Office**—62 Richmond St., Toronto. **Underwriter**—G. V. Kirby & Associates, Ltd., Toronto.

Financial Federation, Inc. (4/8-12)
March 11, 1963 filed 80,000 capital shares. **Price** — By amendment (max. $60). **Business**—A holding company for 11 California savings and loan associations and an insurance agency. Company also assists in the purchase and sales of real estate loans and serves as a trustee under the deeds of trust. **Proceeds**—For selling stockholders. **Office**—615 South Flower St., Los Angeles. **Underwriters**—Kidder, Peabody & Co. and McDonnell & Co., Inc., New York.

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 May.

● **Florida Jai Alai, Inc.**
June 28, 1962 filed 300,000 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**—Consolidated Securities Corp., Pompano Beach, Fla. **Offering**—Imminent.

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.

● **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., New York. **Offering**—Imminent.

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**—Indefinite.

General Design Corp.
April 25, 1962 ("Reg. A") 65,000 common. **Price**—$3. **Business**—Design and development of new products for various industries. **Proceeds**—For debt repayment, equipment and working capital. **Office**—1252 W. Peachtree St., N. W., Atlanta, Ga. **Underwriter** — Robert M Harris & Co., Inc., Philadelphia. **Note**—The SEC has issued an order temporarily suspending this issue.

General Life Insurance Corp. of Wisconsin
March 6, 1963 filed 311,625 common to be offered for subscription by stockholders on the basis of one new share for each four held. **Price**—By amendment. **Business**—Writing of life and endowment policies. **Proceeds**—For general corporate purposes. **Address** — 8500 W. Capital Dr., Milwaukee. **Underwriter** — Piper, Jaffray & Hopwood, Minneapolis.

● **General Real Estate Fund (4/10)**
Feb. 18, 1963 filed 132,000 shares of beneficial interest. **Price**—$10. **Business**—A real estate investment trust. **Proceeds**—For acquisition of property, debt repayment and working capital. **Address**—2034 First National Bldg., Detroit. **Underwriters**—Baker, Simonds & Co., Inc., Detroit and Alex. Brown & Sons, Baltimore.

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.

Globe Industries, Inc.
March 20, 1963 filed 127,500 common, of which 50,000 will be sold for the company, and 77,500 for stockholders. **Price**—By amendment (max. $11). **Business**—Manufacture of miniature electric motors, and related items. **Proceeds**—For a new plant, equipment, and inventories. **Office**—1784 Stanley Ave., Dayton. **Underwriter**—McDonald & Co., Cleveland.

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, New York. **Underwriter**—To be named. **Offering**—Indefinite.

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 Pl., Baltimore. **Underwriter**—To be named. **Note**—This firm formerly was known as Continental Real Estate Investment Trust.

● **Great Eastern Insurance Co. (4/22-26)**
April 13, 1962 filed 381,600 common. **Price**—$5. **Business**—Company plans to write certain types of fire and casualty insurance. **Proceeds** — For general corporate purposes. **Office**—116 John St., New York. **Underwriters**—Emanuel, Deetjen & Co., and Zuckerman, Smith & Co., New York.

Greater Miami Industrial Park, Inc.
Feb. 25, 1963, filed 136,094 common to be offered for subscription by stockholders on the basis of one share for each 4½ shares held. **Price**—$5.50. **Business**—Acquisition and development of real estate. **Proceeds** — For general corporate purposes. **Office**—811 duPont Plaza Center, Miami, Fla. **Underwriter**—None.

Greater Nebraska Corp.
Feb. 20, 1963, filed 3,000,000 common. **Price**—$2. **Business**—Company plans to operate subsidiaries in the fields of banking, insurance, finance, etc. **Proceeds**—For general corporate purposes. **Office**—1107 Federal Securities Building, Lincoln, Neb. **Underwriter**—None.

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.

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.

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

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**—Queensway Securities Corp., New York. **Offering**—Imminent.

● **Highland Development Corp. (4/10)**
Feb. 23, 1963 ("Reg. A") 60,000 common. **Price**—$5. **Business**—Real estate investment in Albuquerque area. **Proceeds**—For general corporate purposes. **Office**—607 San Mateo Blvd., N. E., Albuquerque. **Underwriter**—Hyder & Co., Albuquerque.

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. **Underwrter**—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.

Holly Sugar Corp. (4/29)
March 7, 1963 filed $10,000,000 convertible subordinated debentures due 1983. **Price**—At par. **Business**—Production of beet sugar and related products, and sale of livestock, beet seed, and fertilizer. **Proceeds**—For a new plant. **Address**—Holly Sugar Bldg., Colorado Springs, Colo. **Underwriter**—Eastman Dillon, Union Securities & Co., New York.

Home Entertainment Co. of America
Jan. 16, 1963 filed 300,000 common. **Price**—$10. **Business**—Company is engaged in the development and promotion of a pay television system in Santa Monica, Calif. **Proceeds**—For installation of a pay television system. **Address** — 19th and Broadway, Santa Monica, Calif. **Underwriter**—Bernard M. Kahn & Co., Inc., New York. **Offering**—Expected in mid-April.

Homestead Packers, Inc.
March 13, 1963 filed 5,000 shares of 6% non-cumulative preferred stock, and 5,000 common, to be offered for sale in units of one common and one preferred share. **Price**—$150 per unit. **Business**—Company plans to construct and operate a beef and pork packing plant. **Proceeds**—For construction, equipment, and working capital. **Address**—Beatrice, Nebr. **Underwriter**—None.

Horace Mann Life Insurance Co.
Feb. 1, 1963 filed 200,000 common, of which 80,000 are to be offered by company and 120,000 by stockholders. **Price** — $12.50. **Business**—Writing of life, accident and health insurance. **Proceeds**—For general corporate purposes. **Office**—216 E. Monroe St., Springfield, Ill. **Underwriter**—Horace Mann Investors Inc., (same address).

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.

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.

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.

Inter-Mountain Telephone Co. (4/5)
March 21, 1963 filed 146,228 common to be offered for subscription by stockholders on the basis of one new share for each seven held of record April 5, 1963. Rights will expire May 1. **Price**—By amendment (max. $20). **Proceeds**—For loan repayment and expansion. **Address**—Sixth & Crumley Sts., Bristol, Tenn. **Underwriter**—Courts & Co., Atlanta.

International Systems Research Corp.
March 30, 1962 filed 110,000 class A common and 9-month warrants to purchase 110,000 class A shares at $4 per share, to be offered in units, each consisting of one share and one warrant. **Price**—$4 per unit. **Business**—Design, development and manufacture of mechanical, electro-mechanical and electronic equipment for government agencies and the military. **Proceeds**—For equipment, debt repayment and working capital. **Office**—Engineer's

Hill, Plainview, L. I., N. Y. **Underwriter**—Leib, Skloot & Co., Inc., Clifton, N. J. **Offering**—Indefinite.

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.

Interstate Power Co. (5/22)
March 21, 1963 filed 154,194 common to be offered for subscription by stockholders on the basis of one new share for each 26 held of record May 22, 1963. **Price**—By amendment (max. $24). **Proceeds**—For loan repayment and construction. **Office**—1000 Main St., Dubuque, Iowa. **Underwriters**—(Competitive.) Probable bidders: Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Ladenburg, Thalmann & Co.; White, Weld & Co. **Bids**—May 22 (11:30 a.m. EDST) at One Chase Manhattan Plaza 23rd Floor), New York. **Information Meeting**—May 13 (3 p.m. EDST) at One Chase Manhattan Plaza (28th Floor), New York.

Interstate Power Co. (5/22)
March 21, 1963 filed $6,000,000 of first mortgage bonds due 1993. **Proceeds**—For loan repayment and construction. **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. **Bids**—May 22 (11 a.m. EDST) at One Chase Manhattan Plaza (23rd floor), New York. **Information Meeting**—May 13 (3 p.m. EDST) at One Chase Manhattan Plaza (28th floor), N. Y.

Investors Realty Trust
May 31, 1962 filed 200,000 shares. **Price** — $10. **Business**—A real estate investment trust. **Proceeds** — For construction and investment. **Office** — 3315 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—None.

Investors Trading Co. (4/22-26)
Jan. 17, 1963 filed 200,000 capital shares. **Price** — Net asset value (max. $5), plus 8% sales charge. **Business**—A mutual fund. **Proceeds**—For investment. **Office**—460 Denver Club Building, Denver. **Distributor**—Nemrava & Co. (same address).

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., New York. **Offering** — Indefinitely postponed.

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.

Kentucky Central Life Insurance Co.
March 21, 1963 filed 500,000 class A common. **Price**—By amendment (max. $25). **Business**—Writing of life, accident, and health insurance. **Proceeds**—For investment. **Address**—Anchorage, Ky. **Underwriter**—Stifel, Nicolaus & Co., Inc., St. Louis.

Key Training Service, Inc.
March 26, 1963 filed 47,500 common, of which 40,000 are to be offered by company and 7,500 by a stockholder. **Price**—$6.50. **Business** — Publishing of home study courses through franchised dealers. **Proceeds**—For working capital. **Office**—407 Lincoln Rd., Miami Beach. **Underwriters**—Seymour Blauner Co. and Sheldon Securities Corp., New York.

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.

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.

Laboratory Procedures Inc. (4/22-26)
Feb. 26, 1963, filed 225,000 common. **Price**—$1. **Business**—Operation of six medical testing laboratories. **Proceeds**—For general corporate purposes. **Office**—3701 Stocker St., Los Angeles. **Underwriters** — Charles Plohn & Co., and B. W. Pizzini & Co., New York.

Las Vegas Properties Trust
Feb. 7, 1963 filed 500,000 shares of beneficial interest. **Price**—$10. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—4933 Paradise Rd., Las Vegas, Nev. **Underwriter**—Securities Co. of Nevada, Las Vegas.

Lenox, Inc.
March 25, 1963 filed 172,500 common, of which 25,700 shares are to be offered by company and 146,800 by stockholders. **Price**—By amendment (max. $18). **Business**—Manufacture and marketing of plastic and china dinnerware and gift ware. **Proceeds** — For working capital. **Address**—Prince and Mead Streets, Trenton, N. J. **Underwriter**—Hemphill, Noyes & Co., N. Y.

Liberty Real Estate Trust
Feb. 25, 1963 filed 500,000 shares of beneficial interest. **Price**—By amendment (max. $10). **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—432 Commerce Exchange Bldg., Oklahoma City. **Underwriter**—None.

● **Life & Casualty Insurance Co. of Tennessee (4/8-12)**
March 15, 1963 filed 500,000 common. **Price**—By amendment (max. $36). **Business**—Writing of life, accident and health insurance. **Proceeds** — For selling stockholders. **Office**—Life and Casualty Tower, Nashville, Tenn. **Underwriters** — Goldman, Sachs & Co., New York and Equitable Securities Corp., Nashville.

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.**
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. **Offering**—Indefinite.

Lord Jim's Service Systems, Inc. (4/24)
Jan. 14, 1963 ("Reg. A") 100,000 common. **Price** — $1. **Business**—Operation of drive-in restaurants. **Proceeds**—For leases, equipment and working capital. **Office**—1601 Mandeville Canyon Rd., Los Angeles. **Underwriter**—Keon & Co., Los Angeles.

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. **Offering**—Indefinite.

Lunar Films, Inc. (4/22-26)
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., New York. **Underwriter** — Ingram, Lambert & Stephen, Inc., 50 Broad St., New York.

Madway Main Line Homes Inc.
Feb. 19, 1963 filed 100,000 common. **Price**—By amendment (maximum $14). **Business**—Production, sale, erection and financing of manufactured homes. **Proceeds**—To finance future credit sales of homes. **Office**—315 E. Lancaster Ave., Wayne, Pa. **Underwriter**—Drexel & Co., Philadelphia. **Offering**—Indefinite.

Mack Shirt Corp.
March 20, 1963 filed 102,060 class A common. **Price**—By amendment (max. $20). **Business**—Design, manufacture, sale and distribution of shirts for men and women; also women's slacks and shorts. **Proceeds**—For selling stockholders. **Office**—412 E. Sixth St., Cincinnati. **Underwriter**—W. E. Hutton & Co., N. Y.

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. (4/8-12)**
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.

Medic Corp.
Feb. 28, 1963, filed 1,000,000 class B common. **Price**—$1.25. **Business**—A holding company for three life insurance firms. **Proceeds**—For loan repayment, operating expenses, and investment in other insurance concerns. **Address**—714 Medical Arts Bldg., Oklahoma City. **Underwriter**—Lincoln Securities Corp. (same address). **Offering**—Expected in May.

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.

Meridian Fund, Inc.
March 4, 1963 filed 500,000 capital shares. **Price**—Net asset value plus 5%. **Business**—A new mutual fund to be offered initially to members of the medical profession. **Proceeds**—For investment. **Office** — 714 Boston Bldg., Denver. **Underwriter**—Centennial Management & Research Corp., (same address).

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.

Midwest Technical Development Corp.
Feb. 26, 1962 filed 561,500 common to be offered for subscription by stockholders on the basis of one share for each two shares held. **Price**—By amendment (max. $7). **Business** — A closed-end management investment company. **Proceeds** — For general corporate purposes. **Office** — 2615 First National Bank Bldg., Minneapolis. **Underwriter**—None.

Midwestern Indemnity Co.
Dec. 26, 1962 filed 25,495 common being offered for subscription by stockholders on the basis of one share for each three held of record Dec. 31, 1962, with rights to expire April 15. **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.

Mil National Corp. (4/22-26)
Jan. 28, 1963 refiled 94,000 common. **Price**—$4. **Business**—Distribution of commercial dry cleaning and laundry equipment. **Proceeds**—For general corporate purposes. **Office**—1101 East Tremont Ave., Bronx, New York. **Underwriter**—Herbert Young & Co., Inc., New York.

● **Mitsui & Co., Ltd. (4/26)**
Feb. 20, 1963, filed $10,000,000 of convertible sinking fund debentures due 1978, and 125,000 American Depositary Shares. **Price**—By amendment (max. for shares $20). **Business**—A general trading company dealing in a variety of industrial, agricultural and consumer goods and commodities. **Proceeds**—For general corporate purposes. **Address**—Tokyo, Japan. **Underwriters** — Smith, Barney & Co., Inc., and Nomura Securities Co., Ltd., New York.

Mobile Home Parks Development Corp.
Jan. 28, 1963 filed 1,250,000 common. **Price**—$2.50. **Business**—Company plans to develop mobile home parks and residential and commercial real estate. **Proceeds**—For general corporate purposes. **Office**—82 Baker St., Atlanta. **Underwriter**—Overseas Investment Service, Seville, Spain.

Modern Pioneers' Life Insurance Co.
March 7, 1963 ("Reg. A") 31,661 common to be offered for subscription to stockholders on a pro-rata basis. **Price**—$2. **Business**—Life insurance. **Proceeds**—To increase capital and surplus. **Office** — 811 N. 3rd St., Phoenix. **Underwriter**—Associated General Agents of North America, Inc.

● **Mortgage Guaranty Insurance Corp. (4/22-26)**
March 11, 1963, 200,000 common. **Price**—By amendment (max. $27). **Business**—Company is engaged in the insuring of lenders from loss on residential loans. **Proceeds**—For investment. **Office**—600 Marine Plaza, Milwaukee. **Underwriters**—Hornblower & Weeks, Chicago, and Robert W. Baird & Co., Inc., Milwaukee.

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 Aviation Corp.
March 14, 1963 filed 253,478 capital shares to be offered for subscription by stockholders on the basis of one new share for each five held of record April 11, 1963. **Price**—By amendment. **Business**—A closed-end investment company specializing in aviation and aerospace stocks. **Pro-**

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ceeds — For investment. Office — 111 Broadway, New York. Underwriter—None.

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., New York. Offering— Indefinite.

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., Inc.
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). Note—This offering will be made only in the State of Kansas.

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. (5/2)
Sept. 7, 1962 filed 180,000 class A common. Price—$5. Business—Production of natural gas and oil. Proceeds—For drilling expenses, working capital and other corporate purposes. Office—Tekoil Bldg., Oklahoma City. Underwriter—Peter Morgan & Co., N. Y.

New Campbell Island Mines Ltd.
Oct. 13, 1961 filed 475,000 common, of which 400,000 are to be offered by the company and 75,000 by a stockholder. Price—50c. Business—Exploration, development and mining. Proceeds—General corporate purposes. Office—90 Industry St., Toronto, Canada. Underwriter—A. C. MacPherson & Co., Toronto.

New Industry Capital Corp.
Feb. 25, 1963, filed 30,500 common. Price—$10. Business—A small business investment company. Proceeds—For investment, and working capital. Office—1228 Wantagh Ave., Wantagh, New York. Underwriter—None.

New World Fund, Inc.
Feb. 21, 1963, filed 250,000 common. Price—Net asset value plus 8½%. Business—A new mutual fund. Proceeds—For investment. Office—4680 Wilshire Blvd., Los Angeles. Underwriter — New World Distributing Co. (same address).

● Northern Indiana Public Service Co. (4/17)
March 5, 1963 filed $30,000,000 of first mortgage bonds due 1993. Proceeds—For working capital. Office—5265 Hohman Ave., Hammond, Ind. Underwriter—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Eastman Dillon, Union Securities & Co.-Lehman Brothers-Bear, Stearns & Co. (jointly); Equitable Securities Corp.; Dean Witter & Co.-Blyth & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); First Boston Corp.; Kuhn, Loeb & Co. Bids—April 17, (11 a.m. CST) at 111 West Monroe St. (8th floor), Chicago.

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. (5/6-10)
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.

Outlet Mining Co., Inc.
Feb. 28, 1962 filed 900,000 common. Price—$1. Business—Mining. Proceeds—For equipment and working capital. Address—Creede, Colo. Underwriter—None.

Pacific Northwest Bell Telephone Co. (4/16)
March 22, 1963 filed $50,000,000 of debentures due April 1, 2003. Proceeds—To reduce outstanding debt, due Pacific Telephone & Telegraph Co., in connection with the transfer in 1961 of the latter's properties in Washington, Oregon and Idaho. Office—1200 Third Ave., Seattle, Wash. Underwriters — (Competitive.) Probable bidders: Morgan Stanley & Co.; Halsey, Stuart & Co. Inc. Bids—April 16 (11 a.m. EST) in Room 2315, 195 Broadway, New York.

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.

● Peterson, Howell & Heather, Inc.
March 26, 1963 filed 33,383 class A common. Price—By amendment (max. $35). Business—Furnishing of Automobile fleet management service to firms in the U. S. and Canada. Proceeds—For selling stockholders. Office—2521 N. Charles St., Baltimore. Underwriter — Alex. Brown & Sons, Baltimore.

Pictronics, Inc.
Feb. 27, 1963 ("Reg. A") 75,000 common. Price — $4. Business—Production of TV documentary films, and the processing of colored kodachrome film. Proceeds—For equipment, and working capital. Office — 56 Bennett Bldg., Wilkes-Barre, Pa. Underwriter—G. K. Shields & Co., New York.

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.

Power Cam Corp.
Jan. 28, 1963, filed 200,000 capital shares. Price—$4.75. Business—Company plans to manufacture a new type of brake unit for heavy duty automotive vehicles. Proceeds—For equipment, and working capital. Office — 2604 Leith St., Flint, Mich. Underwriter—Farrell Securities Co., New York.

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.

Professional Men's Association, Inc.
Jan. 8, 1963 filed 40,000 common. Price—$5. Business—Company specializes in financial consulting, and servicing patients' accounts of member hospitals, physicians and dentists. Proceeds—For debt repayment and working capital. Address—100 W. Tenth St., Wilmington, Del. Underwriter—None.

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. (4/8-12)
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.

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 — Imminent.

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 May

● Reynolds & Reynolds Co. (4/16)
March 18, 1963 filed 120,000 class A common. Price—By amendment (max. $28). Business—Manufacture of business and accounting forms and systems, and allied products. Proceeds—For selling stockholders. Office — 800 Germantown St., Dayton, Ohio. Underwriters — Glore, Forgan & Co., New York, and Grant-Brownell & Co., Dayton.

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.

● Roberts Co. (4/22-26)
March 21, 1963 filed 130,000 common, of which 70,000 will be offered by company, and 60,000 by stockholders. Price—By amendment (max. $11) Business—Manufacture of products used in the installation of wall-to-wall carpeting, specialized industrial adhesives, metal folding doors, and weatherproofing products. Proceeds — For loan repayment and working capital. Office—600 North Baldwin Park Blvd., City of Industry, Calif. Underwriters—Reynolds & Co., Inc., New York, and Lester, Ryons & Co., Los Angeles.

● Rona Lee Corp.
Sept. 26, 1962 filed $250,000 of 6¾% debentures and 50,000 common. Price—For debentures, by amendment; for stock, $4. Business—Design, manufacture, and distribution of girls' blouses, sportswear, and coordinates. Proceeds—For debt repayment. Office—112 W. 34th St., New York. Underwriter—Reuben Rose & Co., Inc., New York. Offering—Expected about mid-May.

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.

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 formerly was called Russell Manufacturing Co. Offering—Indefinite.

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.

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 Mortgage Investors Trust (5/6-10)**
Feb. 15, 1963 filed 1,100,000 shares of beneficial interest. **Price**—$10. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—500 E. Morehead St., Charlotte, N. C. **Underwriter**—Fleetwood Securities Corp. of America, N. Y.

Sterling Copper Corp.
Aug. 2, 1962 filed 850,000 common. **Price**—$1. **Business**—Company plans to operate a non-ferrous rod and tube mill. **Proceeds**—For plant and equipment, working capital and other corporate purposes. **Office**—300 Horn Rd., Pinconning, Mich. **Underwriter**—None.

Stone Mountain Scenic Railroad, Inc.
Jan. 22, 1963 filed 105,000 common to be offered for subscription by stockholders on the basis of one share for each three shares held. Unsubscribed shares will be sold to the public. **Price**—To stockholders, $5.50; to public, $6.50. **Business**—Operation of a scenic railroad. **Proceeds**—For construction, debt repayment and other corporate purposes. **Address**—Stone Mountain, Ga. **Underwriter**—None.

Sutro Mortgage Investment Trust
Feb. 1, 1963 filed 30,000 shares of beneficial interest. **Price**—$100. **Business** — A real estate investment trust. **Proceeds**—For investment. **Office**—4900 Wilshire Blvd., Los Angeles. **Underwriter**—None.

Tampa Electric Co. (4/24)
March 15, 1963 filed $48,000,000 first mortgage bonds due May 1, 1993. **Proceeds**—For refunding of outstanding 5% bonds due 1990, loan repayment, and construction. **Office**—111 No. Dale Maby Hwy., Tampa, Fla. **Underwriters**—(Competitive) Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Stone & Webster Securities Corp.; Goldman, Sachs & Co. **Bids**—April 24 (11 a.m. EST) at 90 Broad St., New York. **Information Meeting** — April 19 (11 a.m. EST) same address.

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.

Tecumseh Investment Co., Inc.
Jan. 21, 1963 filed 48,500 common. **Price**—$100. **Business**—A holding company which plans to organize a life insurance company. **Proceeds**—For investment in U. S. Government Bonds and in new subsidiary. **Office**—801 Lafayette Life Bldg., Lafayette, Ind. **Underwriter**—Amosand Inc., (same address).

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., Chatsworth, Ga. **Underwriter**—Irving J. Rice & Co., Inc., St. Paul. **Offering**—Indefinite.

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**—To be named. **Offering**—Indefinite.

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.

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.

● **Tri-Continental Corp.**
March 1, 1963 filed 810,740 shares of $2.50 preferred (par $50) being offered in exchange for a like number of outstanding $2.70 preferred shares (par $50) on a share-for-share basis. All $2.50 preferred shares not exchanged by April 22, will be offered publicly. **Price**—By amendment. **Business**—A closed-end investment company. **Proceeds** — To help finance the redemption of unexchanged $2.70 preferred shares. **Office**—65 Broadway, New York. **Underwriter**—Eastman Dillon, Union Securities & Co., New York. **Note**—Underwriter has agreed to purchase up to 240,000 unexchanged $2.50 preferred shares and will offer them to the public on or after April 23.

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.

Underwriters National Assurance Co.
Feb. 21, 1963, filed 50,000 common, of which 31,176 shares are to be offered by company and 18,824 by a selling stockholder. **Price**—$7.50. **Business** — Writing of health insurance. **Proceeds**—To increase capital and surplus and for expansion. **Office** — 1939 N. Meridian St., Indianapolis. **Underwriter** — K. J. Brown & Co., Inc., Muncie, Ind.

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. (4/22-26)
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., 50 Broad St., New York.

United Saran & Plastic Corp. Ltd. (4/22-26)
Feb. 25, 1963, filed $330,000 of 7% convertible debentures due 1975 and 16,500 shares of 8% preferred ordinary "B" shares to be offered in units consisting of two $100 debentures and 10 shares. **Price** — $305 per unit. **Business** — Manufacture of light household and office furniture. **Proceeds** — For general corporate purposes. **Address**—Rehovoth, Israel. **Underwriter**—Brager & Co., New York.

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.

Urethane of Texas, Inc.
Feb. 14, 1962 filed 250,000 class A and 250,000 common to be offered in units of one share of each class. **Price**—$5.05 per unit. **Business**—Manufacture of urethane foams. **Proceeds**—For equipment, working capital, leasehold expenses and other corporate purposes. **Office**—2300 Republic National Bank Bldg., Dallas. **Underwriter** — First Nebraska Securities Corp., Lincoln, Neb. **Offering**—Temporarily postponed.

Utah Power & Light Co. (4/15)
March 11, 1963 filed $15,000,000 first mortgage bonds due 1993. **Proceeds**—To refund a like amount of 5¼% bonds due Oct. 1, 1987. **Office**—1407 West North Temple St., Salt Lake City. **Underwriters** — (Competitive.) Probable bidders: Eastman Dillon, Union Securities & Co.-Smith, Barney & Co.-Salomon Brothers & Hutzler (jointly); Kidder, Peabody & Co.; Lehman Brothers-Bear, Stearns & Co. (jointly); White, Weld & Co.-Stone & Webster Securities Corp. (jointly); First Boston Corp.-Blyth & Co. (jointly); Halsey, Stuart & Co. Inc. **Bids** — April 15 (11:30 a.m. EST) at Ebasco Services, Inc., 2 Rector St., New York. **Information Meeting**—April 11 (2:30 p.m. EST) at same address.

Valley Investors, Inc.
Jan. 23, 1963, filed 328,858 common. **Price**—$1. **Business**—A new mutual fund. **Proceeds**—For investment. **Address**—Sidney, Montana. **Underwriter**—To be named.

Vend-Mart Inc. (4/22-26)
Jan. 22, 1963 filed 60,000 common. **Price**—$4. **Business**—Operation of coin-operated automatic ice cube vending machines and clothes washing and drying machines. **Proceeds** — For debt repayment, equipment, expansion and working capital. **Office**—565 Fifth Ave., New York. **Underwriter**—M. G. Davis & Co., Inc., New York.

Victor Comptometer Corp. (4/23)
March 25, 1963 filed $15,000,000 of s. f. debentures due 1988; also 250,000 common to be offered by stockholders. **Price**—By amendment (max. $12 for stock). **Business**—Manufacture of adding machines, printing calculators and other office machines; also business forms and golf products. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—3900 N. Rockwell St., Chicago. **Underwriter**—Glore, Forgan & Co., Chicago.

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

Western Futures, Inc.
Feb. 11, 1963 ("Reg. A") 120,000 capital shares. **Price**—$2.50. **Business** — Acquisition and development of land. **Proceeds**—For general corporate purposes. **Office**—2727 N. Central Ave., Phoenix. **Underwriter** — William W. Bones Securities Co., Phoenix.

Western Empire Real Estate Investments
Sept. 26, 1962 filed 600,000 shares of beneficial interest. **Price**—$4. **Business**—Company plans to quality as a real estate investment trust. **Proceeds**—For investment. **Office**—1755 Gilpin St., Denver, Colo. **Underwriter**—None.

Western Light & Telephone Co., Inc. (4/8)
March 12, 1963 filed 115,339 common to be offered for subscription by stockholders on the basis of one new share for each 10 shares held of record April 5, with rights to expire April 23. **Price**—By amendment (max. $35). **Business** — Operation of electric, gas, water and telephone properties in central Kansas, and telephone properties in Iowa and Missouri. **Proceeds**—For general corporate purposes. **Office**—2015 Forest Ave., Great Bend, Kan. **Underwriter**—Dean Witter & Co., Chicago.

Western Steel, Inc.
Jan. 17, 1963 ("Reg. A") 245,000 common. **Price** — $1. **Business**—Company plans to erect a mill to produce certain types of iron by the new "Taylor Process." **Proceeds**—For plant construction and general corporate purposes. **Address**—Suite 412-413 Hynds Bldg., Cheyenne, Wyo. **Underwriter**—C. B. Hoke Agency, Cheyenne, Wyo. **Note**—The SEC has issued an order temporarily suspending this issue.

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.

William Penn Racing Association
March 8, 1963 filed $1,000,000 of 6½% sinking fund debentures due 1978 and 100,000 class A non-voting common shares to be offered in units of one $100 debenture and 10 shares. **Price**—$220 per unit. **Business**—Company has been licensed to conduct harness racing with pari-mutual betting. **Proceeds** — For debt repayment and working capital. **Office**—3 Penn Center Plaza, Philadelphia. **Underwriter**—Stroud & Co., Inc., Philadelphia. **Offering**—Indefinite.

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.

● **Wisconsin Michigan Power Co. (4/8)**
March 13, 1963 filed $6,000,000 of first mortgage bonds due 1993. **Proceeds**—For refunding of 5⅜% bonds due 1989, loan repayment and construction. **Office**—231 West Michigan St., Milwaukee. **Underwriters** — (Competitive) Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.-Salomon Brothers & Hutzler (jointly); Kidder, Peabody & Co.-White, Weld & Co. (jointly). **Bids**—April 8 (12 noon EST) in Room 1306, 48 Wall St., New York. **Information Meeting**—April 5 (11 a.m. EST) at Bankers Trust Co., 16 Wall St., New York.

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.

Issues Filed With SEC This Week

★ **American Annuity Life Insurance Co.**
March 29, 1963 filed 154,000 common, of which 125,000 are to be offered by company and 29,000 by certain stockholders. **Price**—By amendment (max. $7). **Business**—Writing of ordinary life insurance. **Proceeds**—For investment. **Address**—807 American Bank & Trust Bldg., Lansing, Mich. **Underwriter**—First of Michigan Corp., Detroit.

★ **Atlas Management Co.**
March 28, 1963 filed $1,500,000 of 6% conv. subord. debentures due 1978. **Price**—At par. **Business**—A holding company for two insurance subsidiaries. **Proceeds**—For loan repayment, investment, and advances to subsidiaries. **Office**—112 California Ave., Reno, Nev. **Underwriter**—None.

★ **Berns Air King Corp.**
March 29, 1963 filed 100,000 class A common. **Price**—By amendment (max. $7.50). **Business**—Manufacture of ventilating range hoods, kitchen fans, dehumidifiers, and related products. **Proceeds**—For debt repayment, and working capital. **Office**—3050 North Rockwell St., Chicago. **Underwriters**—McCormick & Co., and H. M. Byllesby & Co., Chicago.

★ **Cosmodyne Corp.**
April 1, 1963 filed 150,000 common. **Price**—By amendment. **Business**—Design, development and manufacture of equipment used for pumping, storing and transporting super cold liquids. **Proceeds**—For loan repayment, and working capital. **Office**—3232 W. El Segundo Blvd.,

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Hawthorne, Calif. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York.

★ Exchange Fund of Boston, Inc. (5/1)
March 27, 1963 filed 1,100,000 common to be offered in exchange for certain acceptable securities on the basis of one new share for each $27.50 market value of deposited securities, less a sales charge of from 4% down to 1½%. **Business**—A new mutual fund seeking long-term growth of capital and income. **Proceeds**—For investment. **Office**—111 Devonshire St., Boston. **Underwriter**—Vance, Sanders & Co., Inc., Boston.

★ Flori Investment Co.
March 27, 1963 filed 400,000 capital shares. **Price**—$1.50. **Business**—A real estate development company. **Proceeds**—For debt repayment, construction, purchase of property, and other corporate purposes. **Office** — 700 West Campbell Ave., Phoenix. **Underwriter**—None.

★ General Automotive Parts Corp. (5/6-10)
March 28, 1963 filed 200,000 common. **Price**—By amendment (max. $15). **Business**—Distribution of automotive replacement parts. **Proceeds**—For debt repayment, and other corporate purposes. **Office** — 2011 Cedar Springs Rd., Dallas. **Underwriter**—Hornblower & Weeks, New York.

★ Greenwich Gas Co.
March 29, 1963 filed 37,735 common, to be offered for subscription by stockholders on the basis of one new share for each 5.6 shares held. **Price**—$13.25. **Business**—Distribution of gas, and gas appliances in Greenwich. **Proceeds**—For loan repayment. **Office**—33 Greenwich Ave., Greenwich, Conn. **Underwriter**—F. L. Putnam & Co., Inc., Boston.

★ Holiday Mobile Home Resorts, Inc.
March 27, 1963 filed $1,250,000 of 6½% conv. subord. debentures due 1978, and 75,000 common to be offered in units consisting of $50 of debentures and 3 shares. **Price**—$68 per unit. **Business**—Development and operation of mobile home resorts throughout U. S. **Proceeds**—For debt repayment, construction, and other corporate purposes. **Office** — 4344 East Indian School Rd., Phoenix. **Underwriters**—Boettcher & Co., Denver, and J. R. Williston & Beane, New York.

★ Kearsarge Telephone Co.
March 18, 1963 ("Reg. A") 2,500 shares of 5½% of preferred, class B; also 477 common to be offered for subscription by stockholders on a pro rata basis. **Price**—For preferred, $50; for common, $37. **Business**—Furnishing of telephone service in New Hampshire. **Proceeds**—For expansion and equipment. **Address**—New London, N. H. **Underwriter**—None.

★ Liberty Fabrics of New York, Inc. (4/29)
March 28, 1963 filed 108,700 common to be offered for subscription by stockholders on a pro rata basis. **Price**—By amendment (max. $18.50). **Business** — Design and manufacture of woven and knitted laces and nettings. **Proceeds**—For a new plant, loan repayment, and working capital. **Office**—105 Madison Ave., New York. **Underwriter**—Blair & Co., Inc., New York.

★ Life Assurance Co. of Pennsylvania
March 28, 1963 filed 100,000 capital shares. **Price**—By amendment (max. $33). **Business**—Writing of life, accident, and health insurance. **Proceeds**—For investment, and expansion. **Office**—2204 Walnut St., Philadelphia. **Underwriters**—Auchincloss, Parker & Redpath, Philadelphia, and Arthurs, Lestrange & Co., Pittsburgh.

★ Maradel Products, Inc. (5/20-24)
April 1, 1963 filed 150,000 common. **Price**—By amendment. **Business** — Manufacture and sale of cosmetics, pharmaceuticals and related products. **Proceeds**—For general corporate purposes. **Office** — 516 Ave. of the Americas, N. Y. **Underwriter**—Hornblower & Weeks, N. Y.

★ Missouri Fidelity Life Insurance Co.
March 27, 1963 filed 300,000 common. **Price**—By amendment (max. $8.50). **Business**—A legal reserve life insurance company. **Proceeds**—For expansion. **Office**—2401 South Brentwood Blvd., St. Louis. **Underwriter**—A. C. Allyn & Co., Chicago.

★ National Fidelity Life Insurance Co. (4/29-5/3)
March 28, 1963 filed 72,455 common, of which 36,227 shares are to be offered by company and 36,228 shares by a stockholder. **Price**—By amendment (max. $35). **Business**—Writing of life, accident, and health insurance. **Proceeds**—For debt repayment, and other corporate purposes. **Office**—1002 Walnut St., Kansas City. **Underwriter**—E. F. Hutton & Co., Inc., New York.

★ Norfolk & Carolina Telephone & Telegraph Co.
March 22, 1963 ("Reg. A") 3,000 series A preferred to be offered for subscription by stockholders on the basis of one preferred share for each common share held of record April 15, 1963. **Price**—$100. **Business**—Furnishing of telephone service in northeastern North Carolina. **Proceeds**—For expansion. **Address**—Elizabeth City, N. C. **Underwriter**—None.

★ Northern States Life Insurance Corp.
March 26, 1963 filed 280,000 common to be offered for subscription by stockholders on the basis of one new share for each 1½ held. **Price**—By amendment (max. $2.50). **Business**—Writing of general life insurance. **Proceeds**—For expansion. **Office**—1840 North Farwell Ave., Milwaukee. **Underwriter**—None.

★ Oak Ridge Atom Industries, Inc.
March 22, 1963 ("Reg. A") 60,000 common. **Price**—$5. **Business**—Operation of two facilities near Oak Ridge to conduct research on effects of atomic radiation, and to perform commercial irradiation work. **Proceeds**—For debt repayment, expansion and working capital. **Address**—Oak Ridge, Tenn. **Underwriter**—None.

★ Optech, Inc.
March 28, 1963 filed 140,000 common. **Price**—$3. **Business**—Research and development of materials used in the "Laser" field, and in related areas of optical electronics. **Proceeds**—For general corporate purposes. **Office**—102 Grand St., Westbury, New York. **Underwriters**—Stone, Ackerman & Co., Inc., and Heritage Equity Corp., New York.

★ Portland General Electric Co. (5/1)
April 3, 1963 filed 725,302 common. **Price**—By amendment. **Proceeds**—For loan repayment, and other corporate purposes. **Office**—621 S. W. Alder St., Portland, Ore. **Underwriter**—Blyth & Co., Inc., N. Y.

★ Poulsen Insurance Co. of America
March 29, 1963 filed 100,000 common. **Price**—By amendment (max. $10). **Business**—Writing of life, accident, and health insurance. **Proceeds**—For debt repayment, and other corporate purposes. **Address**—Executive Plaza, Park Ridge, Ill. **Underwriter**—A. C. Allyn & Co., Chicago.

★ Princeton Research Lands, Inc.
March 28, 1963 filed 40,000 common. **Price**—$25. **Business**—Purchase and sale of real property, chiefly unimproved land. **Proceeds**—For debt repayment, and acquisition of additional properties. **Office**—195 Nassau St., Princeton, N. J. **Underwriter**—None.

★ Reliance Life Insurance Co. of Illinois.
March 29, 1963 filed 150,000 common. **Price**—By amendment (max. $4). **Business**—Writing of life insurance. **Proceeds**—For sales promotion, and investment. **Office**—15 South Northwest Highway, Park Ridge, Ill. **Underwriter**—None.

★ St. Louis Shipbuilding-Federal Barge, Inc.
March 28, 1963 filed 150,000 common, of which 50,000 are to be offered by company and 100,000 by H. T. Pott, Chairman. **Price**—By amendment (max. $10). **Business**—Operation of a shipyard in St. Louis. Subsidiaries operate water carrier systems, a railroad, a vessel repair and barge construction yard, also dry docks and other related activities. **Proceeds**—For general corporate purposes. **Office**—611 East Marceau Street, St. Louis. **Underwriter**—Reinholdt & Gardner, St. Louis.

★ Sternco Industries, Inc. (5/6-10)
March 28, 1963 filed $400,000 of 6% conv. subord. debentures due 1977, and 25,000 class A common. **Price**—For debentures, $1,000; for stock, by amendment (max. $12). **Business**—Distribution of tropical fish, goldfish, turtles, animals, and acquarium supplies. **Proceeds**—For additional equipment, inventories, and new product lines. **Office**—53 Cottage Place, Allendale, New Jersey. **Underwriter**—Oppenheimer & Co., New York.

★ Superior Benefit Life Insurance Co.
March 27, 1963 filed 600,000 common. **Price**—$2.50. **Business**—Sale of life insurance. **Proceeds**—For general corporate purposes. **Office**—211 Anderson Bldg., Lincoln, Neb. **Underwriter**—Capital Investment Co., Lincoln, Neb.

★ Tennessee Gas Transmission Co. (4/23)
March 29, 1963 filed 200,000 preferred. **Price**—By amendment (max. $102). **Business**—Transportation and distribution of natural gas for resale, principally in the eastern U. S. **Proceeds**—For loan repayment, and expansion. **Address**—Tennessee Bldg., Houston, Texas. **Underwriters**—Stone & Webster Securities Corp., and White, Weld & Co., New York.

★ Textile Distributors, Inc.
March 22, 1963 ("Reg. A") 60,000 class A common. **Price**—$5. **Business**—Operation of department stores. **Proceeds**—For inventory, debt repayment and expansion. **Office**—819 Broadway, Kansas City, Mo. **Underwriter**—Midland Securities Co., Inc., Kansas City, Mo.

★ Wavelabs, Inc.
March 21, 1963 ("Reg. A") 100,000 capital shares. **Price**—$3. **Business**—Manufacture of airborne and shipboard vibration monitoring devices and equipment. **Proceeds**—For debt repayment, equipment, advertising, research and working capital. **Office**—4343 Twain St., San Diego. **Underwriter**—Hugh C. Watson Co., Inc., La Jolla, Calif.

★ Woman's Life Insurance Co. of America, Inc.
March 28, 1963 filed 150,000 common. **Price**—$7.50. **Business**—Company writes life insurance for women. **Proceeds**—For investment, and expansion. **Office**—7940 Wisconsin Ave., Bethesda, Maryland. **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."

Anadite, Inc.
$800,000 of 5½% convertible subordinated debentures due April 1, 1978 and 15,000 capital shares offered at par and $17.50 respectively, by Dean Witter & Co., San Francisco.

Commercial Credit Co.
$50,000,000 of 4⅜% notes due April 1, 1981 offered at par, to yield 4.375%, by First Boston Corp., and Kidder, Peabody & Co., Inc., New York.

Continental Device Corp.
275,000 common offered at $5.50 per share by Carl M. Loeb, Rhoades & Co., Inc., New York.

Hartford Electric Light Co.
$15,000,000 of 4¼% first mortgage bonds due April 1, 1993 offered at 99.25% plus accrued interest, to yield 4.295%, by First Boston Corp., New York; Putnam & Co., Hartford; and Chas. W. Scranton & Co., New Haven.

Scripps-Howard Broadcasting Co.
375,000 common offered at $19.25 per share by First Boston Corp., New York.

Sony Corp.
300,000 American Depositary Shares offered at $17.25 per share by Smith, Barney & Co., Inc., and The Nomura Securities Co., Ltd., New York.

Southwestern Electric Power Co.
$30,000,000 of 4⅜% first mortgage bonds due 1993 offered at 100.919, to yield 4.32%, by Lehman Brothers, New York.

Prospective Offerings

Alabama Power Co. (5/9)
March 8, 1963 it was reported that this subsidiary of The Southern Co., plans to sell $16,000,000 of 30-year first mortgage bonds and $5,000,000 of preferred stock in May. **Proceeds**—For construction. **Office**—600 North 18th St., Birmingham, Ala. **Underwriters** — (Competitive). Probable bidders: (Bonds): Blyth & Co., Inc.-Kidder, Peabody & Co. (jointly); Lehman Bros; Eastman Dillon, Union Securities & Co.-Equitable Securities Corp.-Drexel & Co. (jointly); Halsey, Stuart & Co. Inc; First Boston Corp.; Morgan Stanley & Co. (Preferred): First Boston Corp.; Eastman Dillon, Union Securities & Co.-Equitable Securities Co. (jointly); Blyth & Co.; Morgan Stanley & Co.; Stone & Webster Securities Corp. **Bids**—Expected May 9, 1963.

Bethlehem Steel Co.
Feb. 26, 1963, Arthur B. Homer, Chairman, announced that the company will embark on a $750,000,000 capital improvements program to be completed by 1965. 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 until at least 1964. **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.

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 Public Service Co. (5/21)
Feb. 25, 1963 it was reported that this company plans to issue $10,000,000 of first mortgage bonds due May 1, 1993. **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). **Bids**—Expected May 21 at 20 No. Wacker Dr., Chicago.

Chicago Burlington & Quincy RR (5/8)
March 18, 1963 the company announced plans to sell $4,500,000 of equipment trust certificates in May. Two additional issues, totaling about $10,200,000, are tentatively scheduled for Aug. 1, and Oct. 1. **Office**—547 W. Jackson Blvd., Chicago. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co. Inc. **Bids**—May 8 (12 noon CDST) at above address.

Chicago, Rock Island & Pacific RR. (4/25)
March 27, 1963 the company announced plans to sell $2,625,000 of equipment trust certificates. **Office**—139 W. Van Buren St., Chicago. **Underwriters**—(Competitive.) Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co. Inc. **Bids**—April 25 (12 noon CST) at above address.

Chicago Union Station Co. (5/15)
March 19, 1963 it was reported that this company, owned by four major railroads, plans to sell $20,000,000 of 1-10 year serial bonds and $29,000,000 of sinking fund bonds due 1988. **Proceeds** — To repay bank loans, and refund outstanding first 3⅛% and first 2⅞% bonds maturing July 1, 1963. **Office**—210 So. Canal St., Chicago. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; Kidder, Peabody & Co.; Blyth & Co. **Bids**—Expected May 15.

Columbia Gas System, Inc. (6/6)
March 18, 1963 the company stated that it has made tentative plans to sell $25,000,000 of 25-year debentures in June, for possible refunding operations. It has definite plans to sell $25,000,000 of debentures in October to raise money for construction. **Office**—120 E. 41st St., New York. **Underwriters**—(Competitive). Probable bidders: Morgan Stanley & Co.-First Boston Corp. (joint-

ly); Merrill Lynch, Pierce, Fenner & Smith Inc.-White, Weld & Co. (jointly); Halsey, Stuart & Co. Inc.; Blyth & Co.-Lehman Brothers-Salomon Brothers & Hutzler. **Bids**—Expected June 6.

Communications Satellite Corp.
Feb. 20, 1963 it was reported that papers of incorporation have been filed for this company, in Washington, D. C. Company's common voting shares, without par value, will be divided into two series. Series I will be issued to the public, firms that produce space exploration equipment and other non-communications concerns. Series II will be issued to FCC-approved communications common carriers, with the provision that no more than half the company's total shares can be held by these carriers, and no individual or group may hold over 10% of the remaining 50%. **Price**—Maximum of $100 per share. **Business**—Congress has authorized the company to provide satellites and ground facilities for the international transmission of telephone, telegraph, television and other communications. **Underwriters**—To be named.

Community Public Service Co.
Jan. 16, 1963 it was reported that this company plans to sell $8,000,000 of first mortgage bonds in June 1963. **Office**—408 W. 7th Street, 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).

Consolidated Edison Co. of New York, Inc.
Feb. 26, 1963 the company stated that upon completion of its current rights offering, it will have to raise approximately $690,000,000 through the sale of securities, to finance its five year construction program. In addition it will be required to refinance $27,561,000 of 3½% bonds maturing July 1, 1963, and $24,331,000 due July 1, 1967. **Office**—4 Irving Place, New York. **Underwriters**—To be named. The last bond issue, in December, 1962, was won at competitive bidding by Halsey, Stuart & Co. Inc. Other bidders were Morgan Stanley & Co., and First Boston Corp.

Consumers Power Co.
Jan. 16, 1963 it was reported that the company plans to sell $40,000,000 of bonds in the second half of 1963, or in 1964. **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.

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.

Florida Power Corp.
March 12, 1963 the company announced plans to offer stockholders, sometime in 1963, the right to subscribe for about 457,265 additional common shares on a 1-for-20 basis. **Proceeds**—For loan repayment. **Office**—101 Fifth St., South, St. Petersburg, Fla. **Underwriters**—To be named. The last rights offering in May 1959 was underwritten by Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith, Inc., 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.**
April 3, 1963 Attorney General Robert F. Kennedy announced that the Justice Department had reached an out-of-court agreement with Interhandel, a Swiss holding company, designed to settle the 20-year old dispute over control of the 540,894 class A and 2,050,000 class B shares of General Aniline seized by the U. S. Government in 1942 as a German asset. The stock represents 98% of the voting control of the company. Mr. Kennedy said that if General Aniline should be sold for $200 million, the Government would receive about $140 million and Interhandel about $60 million. The settlement terms, recently approved by Interhandel stockholders, also must be approved by the U. S. District Court at Washington, D. C. **Business**—Company is a leading domestic producer of dyestuffs, chemicals and photographic materials. **Office**—111 W. 50th St., New York. **Underwriters**—(Competitive). Probable bidders: Blyth & Co.-First Boston Corp. (jointly); Lehman Brothers-Kuhn, Loeb & Co.-Glore, Forgan & Co. (jointly).

● **General Telephone Co. of California (5/8)**
Feb. 5, 1963 it was reported that this subsidiary of General Telephone & Electronics Corp., plans to sell $25,000,000 of first mortgage bonds in June. **Office** — 2020 Santa Monica Blvd., Santa Monica, Calif. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.-Equitable Securities Corp. (jointly); Halsey, Stuart & Co. Inc.; Paine, Webber, Jackson & Curtis-Stone & Webster Securities Corp. (jointly); White, Weld & Co.-Kidder, Peabody & Co. (jointly). **Bids** — Expected May 8 (11 a.m. EDST) at 730 Third Ave., New York. **Information Meeting**—May 6 (2 p.m. EDST) at same address.

Georgia Power Co. (11/7)
Jan. 22, 1963 it was reported that this subsidiary of The Southern Co., plans to sell $30,000,000 of first mortgage bonds and $7,000,000 of preferred stock in November. **Proceeds**—For construction. **Office**—270 Peachtree Bldg., Atlanta. **Underwriters** — (Competitive). Probable bidders: (Bonds): Equitable Securities Corp.-Eastman Dillon, Union Securities & Co. (jointly); Blyth & Co.-Kidder, Peabody & Co.-Shields & Co. (jointly); Halsey, Stuart & Co. Inc.; First Boston Corp.; Harriman Ripley & Co.; Morgan Stanley & Co.; Lehman Brothers. (Preferred): First Boston Corp.; Lehman Brothers; Blyth & Co.; Eastman Dillon, Union Securities & Co.-Equitable Securities Corp. (jointly); Morgan Stanley & Co. **Bids**—Expected Nov. 7, 1963.

Great Northern Ry. (5/21)
March 2, 1963 it was reported that the company plans to sell $6,600,000 of equipment trust certificates. **Office**—39 Broadway, New York. **Underwriters** — (Competitive.) Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co. Inc. **Bids**—Expected May 21 (12 noon EDST) at above address.

Gulf States Utilities Co.
Jan. 29, 1963 the company announced plans to sell 100,000 shares of preferred stock (par $100) in the second half of 1963. **Office**—285 Liberty Ave., Beaumont, Tex. **Underwriters**—(Competitive). Probable bidders: Stone & Webster Securities Corp.; Lehman Brothers-Equitable Securities Corp. (jointly); Glore, Forgan & Co.-W. C. Langley & Co. (jointly); Lee Higginson Corp.

Hawaiian Electric Co., Ltd.
March 5, 1963 it was reported that this company plans to sell about $14,000,000 of first mortgage bonds in the third quarter. **Office**—900 Richards St., Honolulu. **Underwriters** — Dillon, Read & Co. Inc., New York and Dean Witter & Co., San Francisco.

Hawaiian Telephone Co.
March 25, 1963, the company announced plans to sell about $9,000,000 of common stock late in the third quarter. Details have not been decided upon. However, it is expected that the common will be offered on a rights basis to stockholders. **Office**—1130 Alakea St., Honolulu. **Underwriter**—Kidder, Peabody & Co., New York.

Indiana Bell Telephone Co., Inc. (6/11)
March 4, 1963 it was reported that this A. T. & T. subsidiary plans to sell $20,000,000 of debentures in June, marking its first sale of debt securities. **Office**—240 No. Meridian St., Indianapolis. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; First Boston Corp.; White, Weld & Co.; Eastman Dillon, Union Securities & Co.-Kidder, Peabody & Co. (jointly); Blyth & Co.-Lehman Brothers-Merrill Lynch, Pierce, Fenner & Smith Inc.-Salomon Brothers & Hutzler (jointly). **Bids**—Expected June 11 (11 a.m. EDST) at 195 Broadway, New York. **Information Meeting**—June 6 (2:30 p.m. EDST) at same address.

Indiana & Michigan Electric Co. (8/6)
March 12, 1963 it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell $45,000,000 of first mortage bonds due 1993. **Office**—2101 Spy Run Ave., Fort Wayne, Ind. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co.: Harriman Ripley & Co. Inc.; First Boston Corp. **Bids**—Expected Aug. 6 at American Electric Power Co., 2 Broadway, New York.

Iowa Power & Light Co.
Jan. 16, 1963 it was reported that the company plans to sell $10,000,000 of bonds in late 1963 or early 1964. **Office**—823 Walnut St., Des Moines. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; White, Weld & Co.; Halsey, Stuart & Co. Inc.; Equitable Securities Corp.; Kidder, Peabody & Co.; Eastman Dillon, Union Securities & Co.; Lehman Brothers; Blyth & Co.

Iowa Public Service Co.
March 12, 1963 the company announced plans to sell $14,000,000 of first mortgage bonds in September. **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.

Japan (Government of)
March 20, 1963 it was reported that the Diet is considering the Government's budget for fiscal 1964, which includes plans to sell $60,000,000 of external loan bonds and $20,000,000 City of Tokyo bonds in the U. S. during the fiscal year April 1, 1963 to March 31, 1964. If approved, it is expected that $30,000,000 of the external loan bonds would be offered in May. **Underwriters**—To be named. The last sale of external loan bonds in February 1959, was underwritten by First Boston Corp. The last issue of Tokyo bonds in March 1927, was handled by Kuhn, Loeb & Co., and associates.

Jersey Central Power & Light Co.
March 12, 1963 it was reported that this subsidiary of General Public Utilities Corp., plans to sell $10,000,000 of 30-year bonds and $9,000,000 of 25-year debentures in the fall. **Address**—Madison Ave., at Punch Bowl Rd., Morristown, N. J. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; First Boston Corp.; Eastman Dillon, Union Securities & Co.-Salomon Brothers & Hutzler-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Kidder Peabody & Co.; Harriman Ripley & Co.

Louisiana Power & Light Co.
Feb. 20, 1963 it was reported that this subsidiary of Middle South Utilities, Inc., may issue $25-$30,000,000 of bonds early in 1964. **Proceeds**—For construction. **Office**—142 Delaronde St., New Orleans. **Underwriters**—(Competitive.) Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.- Kidder, Peabody & Co.-Harriman Ripley & Co., Inc. (jointly); White, Weld & Co.-Blyth & Co., Inc.- Shields & Co. (jointly); Halsey, Stuart & Co. Inc.; First Boston Corp.-Glore, Forgan & Co. (jointly); Salomon Brothers & Hutzler-Eastman Dillon, Union Securities & Co.-Equitable Securities Corp. (jointly).

Massachusetts Electric Co.
Jan. 16, 1963 it was reported that this company plans to sell $10,000,000 of bonds in the fourth quarter. **Office**—441 Stuart St., Boston. **Underwriters** — (Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Eastman Dillon, Union Securities & Co.; Kidder, Peabody & Co.; Blyth & Co.-White, Weld & Co. (jointly).

Michigan Wisconsin Pipe Line Co.
March 12, 1963 the company stated that it is considering the issuance of about $25,000,000 of bonds in the third quarter, to refund a like amount of outstanding 6¼% first pipe line bonds due June 15, 1977. Action is contingent upon successful completion of its rate case now pending with the FPC. **Office**—500 Griswold St., Detroit. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co.

Missouri Pacific RR (4/9)
Feb. 13, 1963 it was reported that this road plans the sale of about $4,500,000 of equipment trust certificates in April. **Address**—Missouri Pacific Bldg., St. Louis 3, Mo. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co. Inc. **Bids**—April 9 (12 noon CST) in St. Louis.

Missouri Pacific RR
March 13, 1963 it was reported that this road plans the sale of $4,500,000 of equipment trust certificates in late May or early June. This will be the second installment of a total $9,000,000 issue. **Address**—Missouri Pacific Bldg., St. Louis 3, Mo. **Underwriters**—(Competitive). Probable bidders: Salmon Brothers & Hutzler; Halsey, Stuart & Co. Inc.

National Uni-Pac, Inc.
March 27, 1963 it was reported that the company plans to file a registration statement covering 150,000 common. **Price**—$4. **Business**—The sale or lease of coin operated vending machines. **Proceeds** — To redeem outstanding debentures, and for other corporate purposes. **Office**—15 Peachtree St., N. W. Atlanta, Ga. **Underwriter**—To be named.

★ **Nevada Power Co.**
April 3, 1963 the company announced plans to sell both debt and equity securities later in the year to help finance its $17,200,000 construction program. The amount and kinds of securities to be issued will be influenced by market conditions. **Address** — Fourth and Stewart Ave., Las Vegas. **Underwriters**—To be named. The last bond offering on Oct. 27, 1960 was made through White, Weld & Co. Other bidders were: Eastman Dillon, Union Securities & Co.-Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. The last sale of preferred stock on Aug. 23, 1962 was handled on a negotiated basis by White, Weld & Co. The last sale of common on June 28, 1956 was made by William R. Staats & Co., Los Angeles, and Hornblower & Weeks, New York.

New England Power Co.
Jan. 16, 1963 it was reported that this utility plans to sell $10,000,000 of bonds and $10,000,000 of preferred stock in the fourth quarter. **Office**—441 Stuart St., Boston. **Underwriters** — (Competitive). Probable bidders: (Bonds) Halsey, Stuart & Co. Inc.; Lehman Brothers-Equitable Securities Corp. (jointly); Kuhn, Loeb & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.-Kidder, Peabody & Co.-White, Weld & Co. (jointly); First Boston Corp. (Preferred) First Boston Corp.; Dean Witter & Co.-Smith, Barney & Co.-Wertheim & Co. (jointly); Equitable Securities Corp.-Kidder, Peabody & Co.-Lee Higginson Corp.-White, Weld & Co. (jointly); Lehman Brothers; Merrill Lynch, Pierce, Fenner & Smith, Inc.

★ **New York State Electric & Gas Corp.**
April 3, 1963 it was reported that the company plans to sell $20,000,000 of debt securities to finance its construction program for 1964 and 1965. **Office**—108 East Green St., Ithaca, New York. **Underwriters** — (Competitive). Probable bidders: Kidder, Peabody & Co. - Salomon Brothers & Hutzler (jointly); First Boston Corp.-Glore, Forgan & Co. (jointly); Halsey, Stuart & Co. Inc.; Harriman Ripley & Co.; Blyth & Co.

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. (4/22)
Feb. 13, 1963 it was reported that this road plans to sell about $4,500,000 of 1-15 year equipment trust certificates in April. **Office**—8 North Jefferson St., Roanoke, Va. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—April 22 (12 noon EST).

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Northern Illinois Gas Co.
March 8, 1963 the company reported that it plans to raise $90,000,000 from outside sources to finance its $200,000,000 five-year construction program. Of this amount, $20 - $25,000,000 will probably be obtained through the sale of bonds later this year. **Office**—615 Eastern Ave., Bellwood, Ill. **Underwriters**—(Competi- **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.-Equitable Securities Corp. (jointly); Glore, Forgan & Co.

Northern Natural Gas Co.
Jan. 16, 1963 it was reported that this company plans to sell $30,000,000 of debt securities sometime in 1963 or 1964. **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 States Power Co. (Minn.)
Jan. 11, 1963, it was reported that this company plans to sell $25,000,000 of first mortgage bonds due 1993 in the last half of the year. **Proceeds** — For construction. **Office**—15 South Fifth St., Minneapolis. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.-Blyth & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Kidder, Peabody & Co.-White, Weld & Co. (jointly); Equitable Securities Corp.-Eastman Dillon, Union Securities & Co. (jointly); Lehman Brothers-Riter & Co. (jointly).

Otter Tail Power Co.
Jan. 16, 1963 it was reported that this company plans to sell $10,000,000 of bonds in the fourth quarter. **Office**—215 South Cascade St., Fergus Falls, Minn. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co. Inc.; Glore, Forgan & Co.-Kalman & Co. (jointly); White, Weld & Co.

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.
March 18, 1963 the company stated that it expects to sell $75,000,000 of bonds in the period 1963 through 1967. **Proceeds** — For construction and the retirement of $8,000,000 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).

Philadelphia Electric Co.
March 5, 1963 the company reported that it plans to spend $478,000,000 for construction during the five-year period 1963-67. It added that about half the money required will be generated internally, and the balance obtained by bank loans to be converted into permanent financing, from time to time, through the sale of bonds and common stock. **Office**—1000 Chestnut St., Philadelphia. **Underwriters**—To be named. The last sale of bonds on Oct. 15, 1959 was handled by Morgan Stanley & Co., and Drexel & Co. Other bidders were: Halsey, Stuart & Co. Inc.; First Boston Corp.; White, Weld & Co. The last sale of common was a rights offering on June 2, 1959, underwritten by Drexel & Co., and Morgan Stanley & Co.

Public Service Electric & Gas Co. (6/18)
March 4, 1963 it was reported that this company plans to sell $40,000,000 of first mortgage bonds due 1993. **Proceeds** — For construction. **Office** — 80 Park Place, Newark, N. J. **Underwriters** — (Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; White, Weld & Co.-Blyth & Co.-Goldman, Sachs & Co.-Harriman Ripley & Co. (jointly); Lehman Brothers-Merrill Lynch, Pierce, Fenner & Smith Inc.-Salomon Brothers & Hutzler (jointly). **Bids** — Expected June 18 (11 a.m. EDST) at above address. **Information Meeting**—June 13 (2 p.m. EDST) at One Chase Manhattan Plaza, New York.

Sears, Roebuck & Co.
Feb. 19, 1963, Allstate Enterprises, Inc., subsidiary, announced that it had delayed its plans to form a new mutual fund until it received clarification of an SEC ruling which "has been construed by some to mean that registered investment companies could not purchase Sears' stock or would be required to divest themselves of it, if Sears' itself owned a mutual fund." Earlier, Allstate said that the fund would be in operation late in 1963 on a "very small scale," and would be started on a state-by-state basis as approval was granted. **Office**—925 So. Homan Ave., Chicago. **Distributor**—Allstate Enterprises, Inc., Chicago.

Southern California Edison Co. (5/22)
March 25, 1963 the company announced plans to sell $60,000,000 of first and refunding mortgage bonds, series Q, due May 15, 1988. **Proceeds** — To refund $32,400,000 of outstanding bonds, and for construction. **Office** — 601 West Fifth St., Los Angeles. **Underwriters** — (Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.- Dean Witter & Co. (jointly); Blyth & Co.-Lehman Brothers-Merrill Lynch, Pierce, Fenner & Smith Inc.-Salomon Brothers & Hutzler (jointly). **Bids**—May 22 (8:30 a.m. PDST) at above address.

Southern California Edison Co.
March 25, 1963 the company stated that it will require about $60,000,000 of new money in 1964 and again in 1965. **Office**—601 West Fifth St., Los Angeles. **Underwriters** — (Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp., and Dean Witter & Co. (jointly), Blyth & Co.-Lehman Brothers-Merrill Lynch, Pierce, Fenner & Smith Inc.-Salomon Bros. & Hutzler (jointly).

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 Railway Co.
Jan. 15, 1963 stockholders authorized 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.
March 27, 1963 it was reported that this utility plans to sell $5,000,000 of preferred stock and $5,000,000 of debentures in the first half of 1963 to help finance its $11,750,000 construction program. **Office**—1507 Pacific Ave., Dallas. **Underwriters**—Snow, Sweeny & Co., Inc., New York, and A. C. Allyn & Co., Chicago.

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.

Transcontinental Gas Pipe Line Co.
Feb. 20, 1963 it was reported that the company is considering the issuance of $30-$40,000,000 of debt securities in the third quarter. **Proceeds**—For expansion. **Office**—3100 Travis St., Houston. **Underwriters**—White, Weld & Co., and Stone & Webster Securities Corp., N. Y.

Union Electric Co.
March 19, 1963 the company stated that it plans to issue $20,000,000 of preferred stock and $40,000,000 of bonds by the end of 1964. **Office**—315 N. 12th Blvd., St. Louis. **Underwriters**—(Competitive). Probable bidders: (Preferred): First Boston Corp.; Dillon, Read & Co., Inc.; Lehman Brothers; White, Weld & Co.; Blyth & Co., Inc. (Bonds): Halsey, Stuart & Co. Inc.; Lehman Brothers-Blyth & Co., Inc. (jointly); White, Weld & Co.-Shields & Co. (jointly); First Boston Corp.

Union Light, Heat & Power Co.
Feb. 18, 1963 it was reported that this subsidiary of Cincinnati Gas & Electric Co., plans to sell $6,000,000 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.

Virginia Electric & Power Co. (5/14)
Jan. 16, 1963 the company announced plans to sell $30,000,000 of first mortgage bonds due 1993. **Proceeds**—For construction. **Address**—7th and Franklin Sts., Richmond. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; White, Weld & Co.; Eastman Dillon, Union Securities & Co. Salomon Brothers & Hutzler. **Bids**—May 14 (11 a.m. EDST) at One Chase Manhattan Plaza, New York. **Information Meeting**—May 10 (11 a.m. EDST) at same address.

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 Union Telegraph Co.
March 6, 1963 the company announced that it had arranged to borrow a total of $100,000,000 by sale of notes maturing serially, one-third at the end of each of the years 1964, 1965 and 1966. It plans to refinance the serial notes by issuance of long-term debt securities, but has not determined the terms or timing of the action. **Office**—60 Hudson St., New York. **Underwriters**—Kuhn, Loeb & Co., Inc., and Lehman Brothers, New York.

Wisconsin Public Service Corp.
March 19, 1963 it was reported that this company plans to sell $15,000,000 of bonds later this year. **Office**—1029 North Marshall St., Milwaukee. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Eastman Dillon, Union Securities & Co.-Salomon Brothers & Hutzler (jointly); First Boston Corp.; White, Weld & Co.; Kidder, Peabody & Co.

Canada's Investing Seen Exceeding Official Estimate

Bank of Montreal anticipates Canadian capital outlays will top $9.1 billion officially estimated for this year. Moreover, the Bank optimistically forecasts Canada is on the threshold of a surge in new plant and equipment spending.

Despite persistent uncertainty in the business outlook during the first three months of 1963, capital outlays in Canada may exceed the $9,100,000,000 officially estimated recently for this year, the Bank of Montreal said in its recently issued *Business Review* for March.

The bank pointed out that the trend of business conditions during the year will influence the extent to which the official estimates will be achieved or passed. "Last year, for instance, the primary industries planned a program of capital expenditures of about the same magnitude as in 1961 ($1,211,000,000)" the bank said. "In fact, however, an increase of over $111,000,000 was recorded as expansion plans evolved in the course of the year. Manufacturers, too, indicated at the first of the year a program well below that finally achieved."

On the other hand, federal government departments spent $100,000,000 less than the planned $700,000,000, as a result of "austerity" measures following the mid-year exchange crisis.

The bank added that factors not taken into account at the time of the official survey are likely to have some bearing on the capital outlays program actually achieved.

"To mention just one item, none of the direct expenditure for the 1967 World Exhibition in Montreal has been included in the forecast," the bank observed, adding, "and yet towards the end of 1963 it is to be hoped that preliminary work on the exhibition will be well under way."

Capital Investment Surge Expected

Since there has been no substantial upturns in capital outlays since the mid-1950's, "each year that passes brings us that much closer to the point where a surge of new investment in plant and equipment will become necessary," the Bank of Montreal continued.

"In the next few years, those born just after the war will be coming into the labor market, will be marrying and setting up households. As a result, a marked increase in consumer demand for many items is indicated for the latter part of the 1960's, and manufacturers can be expected to arrange well in advance for construction of the capital equipment required to satisfy such increased demands," the bank concluded.

One of the Mysteries!

"The present situation is best described as mixed. Consumer expenditures have continued to advance. Seasonally adjusted retail sales have held above a $240-billion-a-year rate since November, despite cold weather and newspaper and transit strikes. Surveys show an increase in the number of families planning to make major purchases in the months ahead.

"On the other hand, business spending on new plant and equipment—basic to economic growth—has been flattening out. Moreover, businessmen do not appear to be planning much of a rise in outlays from current levels during the year ahead. Hence, many observers have found it surprising that the principal and most immediate stimulus of the Administration's tax program is directed at consumers. These proposals offer little stimulus for several years to come to the larger corporations reponsible for the bulk of business capital investment."—First National City Bank of New York.

There are a number of surprising things about the President's tax proposals. This certainly is one of them.

Indications of Current Business Activity

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

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Steel ingots and castings (net tons)	Mar. 30	2,387,000	2,330,000	2,130,000	2,417,000
Index of production based on average weekly production for 1957-1959	Mar. 30	128.1	125.1	114.3	129.7
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Mar. 22	7,461,160	7,437,060	7,448,960	7,340,110
Crude runs to stills—daily average (bbls.)	Mar. 22	8,596,000	8,673,000	8,990,000	8,201,000
Gasoline output (bbls.)	Mar. 22	29,935,000	29,819,000	29,887,000	28,971,000
Kerosene output (bbls.)	Mar. 22	3,482,000	3,433,000	3,420,000	3,140,000
Distillate fuel oil output (bbls.)	Mar. 22	15,150,000	15,857,000	16,884,000	13,774,000
Residual fuel oil output (bbls.)	Mar. 22	5,988,000	6,280,000	6,549,000	6,131,000
Stocks at refineries, bulk terminals, in transit, in pipe lines					
Finished gasoline (bbls.) at	Mar. 22	213,936,000	211,865,000	205,949,000	206,631,000
Kerosene (bbls.) at	Mar. 22	21,441,000	20,973,000	23,281,000	23,668,000
Distillate fuel oil (bbls.) at	Mar. 22	81,054,000	81,526,000	93,455,000	86,855,000
Residual fuel oil (bbls.) at	Mar. 22	42,179,000	43,245,000	45,193,000	37,426,000
Unfinished oils (bbls.) at	Mar. 22	81,244,000	81,132,000	81,461,000	80,396,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Mar. 23	534,999	517,213	489,218	555,873
Revenue freight received from connections (no. of cars)	Mar. 23	510,195	506,074	482,309	524,853
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Mar. 23	7,970,000	*7,300,000	7,970,000	8,350,000
Pennsylvania anthracite (tons)	Mar. 23	378,000	380,000	332,000	331,000
CONSTRUCTION ADVANCE PLANNING — ENGINEERING NEWS-RECORD—NEW SERIES (000's omitted):					
Total advance planning by ownership	Mar. 28	$418,000	$522,500	$442,400	$246,900
Private	Mar. 28	260,300	312,800	265,600	141,200
Public	Mar. 28	157,700	209,700	176,800	105,700
State and Municipal	Mar. 28	141,100	203,500	168,400	104,700
Federal	Mar. 28	16,600	6,200	8,400	1,00[illegible]
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1957-59 AVERAGE=100	Mar. 23	106	103	89	101
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Mar. 30	16,425,000	16,860,000	17,505,000	15,552,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Mar. 28	329	295	311	330
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Mar. 25	6.196c	6.196c	6.196c	6.196
Pig iron (per gross ton)	Mar. 25	$63.33	$63.33	$63.33	$66.44
Scrap steel (per gross ton)	Mar. 25	$27.83	$27.50	$27.50	$31.50
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Mar. 29	30.600c	30.600c	30.600c	30.600c
Export refinery at	Mar. 29	28.375c	28.450c	28.425c	28.475c
Lead (New York) at	Mar. 29	10.500c	10.500c	10.500c	9.500c
Lead (St. Louis) at	Mar. 29	10.300c	10.300c	10.300c	9.300c
‡Zinc (delivered at)	Mar. 29	12.000c	12.000c	12.000c	12.500c
Zinc (East St. Louis) at	Mar. 29	11.500c	11.500c	11.500c	12.000
Aluminum (primary pig, 99.5%) at	Mar. 29	22.500c	22.500c	22.500c	24.000c
Straits tin (New York) at	Mar. 29	109.125c	109.250c	108.625c	124.000c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Apr. 2	90.09	89.94	90.15	89.06
Average corporate	Apr. 2	89.31	89.37	89.37	86.78
Aaa	Apr. 2	93.08	93.23	93.23	90.48
Aa	Apr. 2	91.19	91.34	91.05	88.67
A	Apr. 2	89.51	89.51	89.51	86.38
Baa	Apr. 2	83.91	83.79	83.91	81.90
Railroad Group	Apr. 2	86.91	86.91	86.78	83.91
Public Utilities Group	Apr. 2	90.48	90.63	90.63	87.59
Industrials Group	Apr. 2	90.48	90.63	90.48	88.95
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Apr. 2	3.75	3.77	3.74	3.77
Average corporate	Apr. 2	4.46	4.46	4.46	4.6[illegible]
Aaa	Apr. 2	4.20	4.19	4.19	4.38
Aa	Apr. 2	4.33	4.32	4.34	4.5[illegible]
A	Apr. 2	4.45	4.45	4.45	4.68
Baa	Apr. 2	4.87	4.88	4.87	5.0[illegible]
Railroad Group	Apr. 2	4.64	4.64	4.65	4.87
Public Utilities Group	Apr. 2	4.38	4.37	4.37	4.59
Industrials Group	Apr. 2	4.38	4.37	4.38	4.49
MOODY'S COMMODITY INDEX	Apr. 2	370.3	369.8	369.6	367.8
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Mar. 23	346,157	348,758	353,874	350,46[illegible]
Production (tons)	Mar. 23	373,587	359,677	358,554	354,44[illegible]
Percentage of activity	Mar. 23	98	97	96	9[illegible]
Unfilled orders (tons) at end of period	Mar. 23	458,343	483,509	440,778	464,75[illegible]
OIL, PAINT AND DRUG REPORTER PRICE INDEX— 1949 AVERAGE=100	Mar. 29	112.56	*112.81	113.16	110.50
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS					
Transactions of specialists in stocks in which registered—					
Total purchases	Mar. 8	2,171,190	2,429,930	2,557,670	2,242,15[illegible]
Short sales	Mar. 8	500,880	439,480	572,230	435,51[illegible]
Other sales	Mar. 8	1,693,630	1,983,420	1,951,370	1,669,6[illegible]
Total sales	Mar. 8	2,194,510	2,422,900	2,523,600	2,105,15[illegible]
Other transactions initiated off the floor—					
Total purchases	Mar. 8	393,740	350,790	456,160	263,63[illegible]
Short sales	Mar. 8	34,400	31,300	41,400	17,20[illegible]
Other sales	Mar. 8	311,020	371,240	421,060	214,2[illegible]
Total sales	Mar. 8	345,420	402,540	462,460	231,4[illegible]
Other transactions initiated on the floor—					
Total purchases	Mar. 8	931,666	880,333	1,008,583	790,89[illegible]
Short sales	Mar. 8	112,630	91,270	154,043	74,15[illegible]
Other sales	Mar. 8	728,127	742,095	983,345	777,55[illegible]
Total sales	Mar. 8	840,757	833,365	1,137,388	851,70[illegible]
Total round-lot transactions for account of members—					
Total purchases	Mar. 8	3,496,596	3,661,053	4,022,413	3,296,67[illegible]
Short sales	Mar. 8	647,910	562,050	767,673	526,86[illegible]
Other sales	Mar. 8	2,732,777	3,096,755	3,355,775	2,661,42[illegible]
Total sales	Mar. 8	3,380,687	3,658,805	4,123,448	3,188,28[illegible]
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	Mar. 8	1,238,550	1,392,110	1,527,372	1,643,32[illegible]
Dollar value	Mar. 8	$59,655,906	$69,167,715	$74,006,676	$86,138,25[illegible]
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—customers' total sales	Mar. 8	1,447,064	1,744,262	1,785,943	1,669,5[illegible]
Customers' short sales	Mar. 8	27,113	25,372	16,517	9,66[illegible]
Customers' other sales	Mar. 8	1,419,951	1,718,890	1,769,426	1,659,85[illegible]
Dollar value	Mar. 8	$66,960,965	$84,593,491	$84,404,756	$85,173,18[illegible]
Round-lot sales by dealers—					
Number of shares—Total sales	Mar. 8	525,980	709,950	668,550	509,42[illegible]
Short sales	Mar. 8				
Other sales	Mar. 8	525,980	709,960	668,550	509,42[illegible]
Round-lot purchases by dealers—Number of shares	Mar. 8	338,550	312,810	383,530	501,58[illegible]
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	Mar. 8	990,200	872,850	987,570	684,40[illegible]
Other sales	Mar. 8	16,045,380	18,772,420	19,787,640	15,232,43[illegible]
Total sales	Mar. 8	17,035,580	19,645,270	20,775,210	15,916,83[illegible]
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR—(1957-59=100):					
Commodity Group—					
All commodities	Mar. 26	99.9	99.9	100.2	100.5
Farm products	Mar. 26	95.2	95.6	96.8	98.1
Processed foods	Mar. 26	99.1	99.1	100.0	101.[illegible]
Meats	Mar. 26	88.3	88.6	91.5	94.[illegible]
All commodities other than farm and foods	Mar. 26	100.7	100.6	100.7	100.7

*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. (na) Not available.

	Latest Month	Previous Month	Year Ago
AMERICAN HOME LAUNDRY MANUFACTURERS ASSOCIATION—Month of February:			
Total home laundry appliance factory unit sales (domestic)	419,370	424,011	401,014
Washers	300,781	293,263	289,611
Automatic and semi-automatic	249,250	246,054	232,872
Wringers and others	51,531	47,209	56,739
Combination washer-dryers	2,840	1,559	5,146
Dryers	115,749	129,189	106,257
Electric	74,432	86,089	70,980
Gas	41,317	43,100	35,277
AMERICAN TRUCKING ASSOCIATION, INC.—Month of January:			
Intercity general freight transport by 363 carriers (in tons)	6,080,261	5,365,450	6,046,329
BUSINESS INCORPORATIONS (NEW) IN THE UNITED STATES—DUN & BRADSTREET, INC.—Month of January	17,348	13,925	18,343
CIVIL ENGINEERING ADVANCE PLANNING, NEW SERIES—ENGINEERING NEWS RECORD—Month of January (000's omitted):			
Total U. S. construction	$2,674,700	$126,548	$2,079,100
Private construction	1,151,900	57,148	1,045,100
Public construction	1,522,800	69,400	1,034,000
State and municipal	1,391,600	54,544	981,700
Federal	131,200	14,856	52,300
COMMERCIAL PAPER OUTSTANDING—FEDERAL RESERVE BOARD OF NEW YORK—As of February 28 (000's omitted)	$2,193,000	$2,091,000	$1,762,000
EMPLOYMENT AND PAYROLLS—U. S. DEPT. OF LABOR REVISED SERIES—Month of February:			
All manufacturing (production workers)	12,279,000	*12,259,000	12,300,000
Durable goods	6,874,000	*6,852,000	6,846,000
Nondurable goods	5,405,000	*5,407,000	5,454,000
Payroll indexes (1957-59 average=100)—All manufacturing	111.8	112.2	109.5
Estimated number of employees in manufacturing industries—			
All manufacturing	16,654,000	*16,628,000	16,572,000
Durable goods	9,420,000	*9,397,000	9,312,000
Nondurable goods	7,234,000	*7,231,000	7,260,000
FABRICATED STRUCTURAL STEEL (AMERICAN INSTITUTE OF STEEL CONSTRUCTION)—Month of February:			
Contracts closed (tonnage)—estimated	285,727	328,187	275,703
Shipments (tonnage)—estimated	243,620	234,548	288,576
MANUFACTURERS' INVENTORIES & SALES—Month of January (millions of dollars):			
Inventories—			
Durables	$32,700	*$32,690	$31,880
Nondurables	24,700	*24,710	23,840
Total	$57,400	*$57,400	$55,720
Sales	33,200	*33,360	32,040
METAL OUTPUT (BUREAU OF MINES)—Month of January:			
Mine production of recoverable metals in the United States—			
Gold (in fine ounces)	117,073	*131,992	120,415
Silver (in fine ounces)	2,924,363	*2,982,970	3,190,520
Copper (in short tons)	99,475	Not Avail.	102,965
Lead (in short tons)	14,590	14,179	22,487
Zinc (in short tons)	42,200	42,648	37,780
MONEY IN CIRCULATION—TREASURY DEPT. As of January (000's omitted)	$34,100,000	$35,300,000	$32,800,000
PERSONAL INCOME IN THE UNITED STATES (DEPARTMENT OF COMMERCE)—Month of February (in billions):			
Total personal income	$450.8	$452.4	$431.9
Wages and salary receipts; total	303.3	301.5	290.2
Commodity producing industries	118.2	*117.6	1[illegible].2
Manufacturing only	94.6	*93.8	92.0
Distributing industries	78.2	77.6	[illegible]
Service industries	48.1	*47.8	45.1
Government	58.8	58.5	55.0
Other labor income	12.7	12.6	12.0
Business and professional	37.6	*37.6	36.2
Farm	13.0	*13.4	12.8
Rental income of persons	13.0	*13.0	12.6
Dividends	16.4	16.3	15.8
Personal interest income	31.3	31.1	28.8
Transfer payments	35.3	*38.7	33.8
Less employees contribution for social insurance	11.8	*11.7	10.4
Total nonagricultural incomes	433.5	*434.6	414.8
PROSPECTIVE PLANTING FOR 1963 — U. S. CROP REPORTING BOARD — ACREAGES IN THOUSANDS—As of March 1:			
Corn, all	69,769	------	65,984
All spring wheat	11,102	------	10,460
Durum	2,182	------	2,478
Other spring	8,920	------	8,012
Oats	28,746	------	30,202
Barley	14,032	------	14,701
Flaxseed	3,181	------	3,087
Cotton	14,818	------	16,296
Rice	1,785	------	1,785
Sorghums, all	15,947	------	15,025
Potatoes:			
Winter	20	------	22
Early spring	28	------	24
Late spring	106	------	109
Early summer	87	------	88
Late summer and fall	1,160	------	1,172
Total	1,402	------	1,416
Sweetpotatoes	210	------	222
Tobacco	1,189	------	1,227
Beans, dry edible	1,484	------	1,539
Peas, dry field	348	------	353
Soybeans	29,896	------	28,703
Peanuts	1,528	------	1,546
Hay	66,915	------	67,332
Sugar beets	1,272	------	1,185
TIN—CONSUMPTION OF PRIMARY AND SECONDARY TIN IN THE UNITED STATES BUREAU OF MINES—Month of January (in long tons):			
Stocks in beginning of period	30,680	29,670	36,265
Receipts	3,180	6,685	6,710
Supply	33,860	36,355	42,975
Stocks at end of period	27,420	30,680	35,435
Total processed	6,440	5,675	7,540
Intercompany scrap transactions	155	160	100
Consumed in manufacturing	6,285	5,515	7,440
Primary	4,355	3,760	4,750
Secondary	1,930	1,755	2,690
UNITED STATES EXPORTS AND IMPORTS BUREAU OF CENSUS—Month of January (000's omitted):			
Exports	$1,011,000	$1,902,000	$1,662,000
Imports	1,116,700	1,366,500	1,357,700

*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.

TAX-EXEMPT BOND MARKET

Continued from page 6

gation School (1964-1988) bonds to *Phelps, Fenn & Co.* and associates at a net interest cost of 2.86390%. Once again bidding was very close with the second bid, a 2.86393% net interest cost, made by the account headed jointly by the Bankers Trust Co. and Halsey, Stuart & Co., Inc. There were also six other bids ranging in interest cost from 2.864% to 2.89% made for this popular Tennessee issue.

Associated with Phelps, Fenn & Co. as major underwriters in this account are C. J. Devine & Co., Shields & Co., Bear, Stearns & Co., Paine, Webber, Jackson & Curtis, Francis I. du Pont & Co., Reynolds & Co., Coffin & Burr, William Blair & Co., Fitzpatrick, Sullivan & Co., Shelby Cullom Davis & Co. and Bramhall, Falion & Co., Inc.

The bonds were reoffered to yield from 1.60% in 1964 to 3.00% in 1985 and the present balance is $3,735,000. The 1986 to 1988 maturities carried a one-tenth of 1% coupon and were offered at a 4.10% yield.

Tuesday was a day of moderate activity with three competitive issues which are worthy of brief mention. The group led by *Harriman Ripley & Co., Inc.* submitted the best bid, a 2.9258% net interest cost, for $12,000,000 Electric Light and Power Plant Mortgage revenue (1968-1984) bonds of Cleveland, Ohio. Second best bid for the bonds offering a 2.926% net interest cost came from Kidder, Peabody & Co. and associates.

Other major members of the winning group include Smith, Barney & Co., Glore, Forgan & Co., Goldman, Sachs & Co., Alex. Brown & Sons, Weeden & Co., Hemphill, Noyes & Co., The Ohio Co., Hirsch & Co., Wells & Christensen, Inc., Newhard, Cook & Co., Robert W. Baird & Co., Mullaney, Wells & Co., Reinholdt & Gardner, A. Webster Dougherty & Co., Curtiss, House & Co., Ginther & Co., First of Iowa Corp., Channer Newman Securities Co. and J. A. Overton & Co.

The securities are offered at prices to yield from 2.15% to 3.00% for various coupons and the present balance in account is $7,-425,000.

Newport Harbor Union High School District (Orange County), California awarded $5,460,000 School (1964-1983) bonds to the *Bank of America N. T. & S. A.* syndicate at a net interest cost of 2.859%. The runner-up bid, a 2.905% net interest cost, was made by The United California Bank, Los Angeles, and associates.

Other members of the winning syndicate include Stone & Youngberg, Hayden, Stone & Co., Kenower, MacArthur & Co., Walston & Co., Crowell, Weedon & Co., Hannaford & Talbot and C. N. White & Co.

Reoffered to yield from 1.70% to 3.00%, the present balance is $3,135,000.

The syndicate headed jointly by *John Nuveen & Co., Allen & Co., B. J. Van Ingen & Co.* and *Leo Oppenheim & Co.* was the successful bidder for $4,035,000 Oklahoma City, Oklahoma Airport Trust revenue (1967-1985) bonds at a net interest cost of 3.3352%. The second best bid for these bonds, a 3.46% net interest cost, came from Goodbody & Co. and associates.

Other members of the winning group include Merrill Lynch, Pierce, Fenner & Smith Inc., Ira Haupt & Co., F. S. Smithers & Co., Milburn, Cochran & Co. and Shoemaker & Co.

Reoffered to yield from 2.25% to 3.50% for a 3¼% coupon, the present balance in account is about $1,500,000.

Bond proceeds of this issue will finance a three story aviation records building and a cafeteria to be completed and ready for occupancy about December, 1964 at Will Rogers Airport. Upon completion the buildings will be leased to the U. S. A. for 20 years for occupancy by the Federal Aviation Agency. Interest will be capitalized during construction out of bond proceeds.

The Main Transaction

Wednesday's only issue of note involved $37,225,000 City of Philadelphia, Pennsylvania Capital Improvement (1964-1988) bonds. The group led by the *First National Bank of Chicago* submitted the best bid, a 2.9497% net interest cost, and the syndicate headed jointly by the First National City Bank, Halsey, Stuart & Co., Inc. and The Philadelphia National Bank submitted the runner-up bid, a 2.96% net interest cost.

Other major members of the winning group include Mellon National Bank and Trust Co., Bank of America N.T. & S.A., Hartford National Bank and Trust Co. and Brown Bros. Harriman & Co.

The securities are offered to yield from 1.65% in 1964 to 3.20% for the bonds maturing in 1986. Initial investor demand has been good with the present balance in group totaling $15,189,000. The bonds due 1987 and 1988 carried a 1/10 of 1% coupon and were sold pre-sale.

Dollar Bonds Unchanged

The long-term toll road, toll, bridge, public utility and authority revenue issues were less active and fluctuated less during the past week than has recently been the case. There were no significant market changes indicated throughout the long list of dollar quoted issues. The *Commercial and Financial Chronicle's* revenue bond Index (23 active issues) averaged out at 3.389% this week; unchanged from a week ago.

Big Transactions in the Offering

With the competitive calendar presently totaling some sort of a record, it is interesting to note that the calendar of negotiated type offerings includes no important issues ready for public offering. April 30 has been set for the public sale of $115,000,000 Placer County, California Water Agency, revenue bonds. With the $120,000,000 Washington Public Power (Hanford Project) revenue bond issue scheduled for May 2, a busy 3-day period appears assured.

The State of TRADE and INDUSTRY

Continued from page 16

ernment's liberalization of rules on depreciation, the steel industry set aside 26% more dollars for depreciation in 1962 than it did in 1961. This held down the amount of money left for net profits and also the amount that had to be paid for Federal income taxes. While net profit was down 18.4%, the tax bite was down 22%.

Part of the reduction in the tax total came from the 7% credit the government allowed on capital investments in 1962.

Capital expenditures slacked off about 9.5% from the 1961 pace. This, and payments on debt, reduced long-term debt 5%.

The amount of net profit available for reinvestment in the business for the 34 companies was only $51,984,571 compared with $129,810,042 in 1961.

Dividends were 9% below those paid in 1961.

Steel Output May Attain Three-Year Quarterly High

Steel shipments in the second quarter of this year should set a three-year quarterly high, *Iron Age* magazine reported.

If shipments top 23 million tons for April, May and June, it will be the highest quarterly figure since the first three months of 1960. This was in the post-strike period when the mills shipped 27 million tons of steel to replenish strike depleted steel stocks.

The *Iron Age* magazine said shipments for the second quarter of this year could top 23 million tons if mills ship an expected 7.25 million tons in April and 8 million tons in both May and June.

This is a high figure, assumes that the steel labor situation will remain unresolved through most of the period. If the United Steelworkers of America give notice of intent to reopen the steel labor contract, which the union can do after May 1, this rate of shipments could easily be equalled or surpassed.

In 1962, the buildup as a hedge against a possible steel strike was off to a much earlier start. The first quarter of 1962 was the high point, with shipments totaling 21.2 million tons of steel products.

Steel production continues to gain as orders continue to increase. How much of the new business is aimed at inventory buildup is uncertain. But a substantial portion of it is admittedly for stockpiling.

Automakers continue to lead in the inventory race with probably more than 30% of automotive tonnage earmarked for inventory. But the increased business is by no means monopolized by automotive.

New orders are coming in from a wide range of industry with inventory building coming on top of a higher rate of steel consumption as general business improves.

With rush of increased business, mills are adding more furnaces and production is increasing. Output has been running at nearly 82% of the last listed industry capacity (1960). The peak last year was 85.9 and it is likely that this figure will be exceeded in May or even later this month.

One of the results of the jump in orders is a significant lengthening of delivery times. Galvanized sheet is now out to 8-to-10 weeks. Cold-rolled sheets are climbing. Even some of the "slow" products can no longer be obtained on short delivery. In fact, the improvement on plates, structurals and other general purpose steels is significantly stronger than in 1962.

Auto's Quarterly Output Rose 10.7% Above 1962's

Output of 1963 model passenger cars and trucks during the first quarter of this year will total at 2,300,000 units, rising 10.7% from 2,076,968 cars and trucks produced in corresponding 1962, *Ward's Automotive Reports* said.

The statistical agency estimated March passenger car making at upwards of 647,000 units, increasing 7.3% from 602,819 in the same month last year. About 124,000 trucks will be counted for the month ending tomorrow, rising 16.0% from 106,896 units made in March last year.

The industry is ending the month in an upturn. *Ward's* said schedules for the week ending March 30 called for 159,712 cars and 29,219 trucks, compared with 155,684 cars and 30,737 trucks made last week. This week's passenger car production is set 15.4% ahead of 138,423 units made in the same period last year. Truck production is up 21.8% from 23,983.

For the entire first quarter, passenger car making will total near 1,936,000 units, gaining 9.6% from 1,766,842 in like 1962. March and first-quarter output will both be third best in history, exceeded only in the industry record calendar year of 1955 and during the post steel strike era of 1960.

On a model year basis, however, production of an estimated 4,505,000 cars in the 1963 term through March 31 will lead all years in history. By comparison, the 4,000,000th 1962 model was made March 27 last year; the 4,-000,000th 1961 model was not made until May.

In the booming truck industry, first-quarter output of an estimated 364,000 units trails only 1951 (377,137), a war-time emergency production period, and 1960 (380,001), after the steel strike. In January-March of last year, 310,126 were made.

Since last October, however, truck making has been at its highest level for the six months (concurrent with model year) in history.

Rail Freight Exceeds Last Week's And 1961 but Not 1962

Loading of revenue freight in the week ended March 23, totaled 534,999 cars, the Association of American Railroads announced. This was an increase of 17,786 cars or 3.4% above the preceding week.

The loadings represented a decrease of 20,874 cars or 3.8% below the corresponding week in 1962, but an increase of 34,666 cars or 6.9% above the corresponding week in 1961.

There were 16,026 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended March 16, 1963 (which were included in that week's over-all total). This was an increase of 2,089 cars or 15.0% above the corresponding week of 1962 and 5,010 cars or 45.5% above the 1961 week.

Cumulative piggyback loadings for the first 11 weeks of 1963 totaled 154,750 cars for an increase of 17,990 cars or 13.2% above the corresponding period of 1962, and 42,577 cars or 38.0% above the corresponding period in 1961. 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 58 in the corresponding week in 1961.

Truck Tonnage Falters Behind Last Week's and Year-Ago Week

Intercity truck tonnage in the week ended March 23 was 2.1% below the volume in the corresponding week of 1962, the American Trucking Association announced. Truck tonnage was 0.7% behind the volume for the previous week of this year. It would appear that the aftermath of the storms in the earlier week are a contributing factor to the general decline of truck tonnage on both a year-to-year and week-to-week basis. However, the week-to-week findings do follow the pattern of generally declining tonnage which has been found at this season in previous years.

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

The terminal survey for last week showed increased tonnage from a year ago at 10 localities, with 23 points reflecting decreases from the 1962 level. One center, New York, showed no change from last year. Terminals at Oklahoma City and Portland, Oregon registered tonnage gains of 18.8 and 10.0%, respectively. Trucking centers at three points reflected decreases over 10%.

Compared with the immediately preceding week, 10 metropolitan areas registered increase tonnage, while 24 areas reported decreases.

Lumber Data Compilation to Resume Next Week

Editor's Note: Weekly and yearly lumber production, shipment and new order data are to be made available next week now that the New York City newspaper strike is over.

Electric Output Rises to 5.6% Over Last Year's Level

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, March 30, was estimated at 16,425,000,000 kwh., according to the Edison Electric Institute. Output was 435,000,000 kwh. less than the previous week's total of 16,860,000,000 kwh., and 873,000,000 kwh. above the total output of the comparable 1962 week, or an increase over the year ago week of 5.6%.

Wholesale Commodity Price Index Edges Highest Since Early March

Moving up fractionally during the past week, the general wholesale commodity price index reached 267.98 this Monday, the highest level since the first week of March, reported Dun & Bradstreet, Inc. Quoted appreciably higher in wholesale cost were steers, wheat and steel scrap, and these increases from Monday a week ago were largely responsible for lifting the index despite numerous price dips, including silver, pig iron, corn and rye.

The daily wholesale commodity price index rose slightly to 267.98 (1930-32=100) on Monday, April 1, from 267.48 a week earlier, but remained lower than on the similar day last month when it stood at 268.52. It also continued to fall considerably short of the corresponding 1962 level of 272.53.

Wholesale Food Price Index Slips Lowest in Ten Months

The wholesale food price index, compiled by Dun & Bradstreet, Inc., eased 0.9% to $5.74 on April 2, reaching the lowest level registered in any week since June 6, 1962. The year-to-year decline, prevailing since early last December, persisted, with the current index down 1.9% from $5.85 on the similar day of 1962.

Hams and eggs led the list of foodstuffs which moved lower in wholesale cost. Other items dipping in price were: corn, oats, barley, bellies, lard, milk, cocoa, potatoes and hogs. This array of declines outweighed considerably the few increases chalked up for wheat, rye, sugar, cottonseed oil, peanuts.

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.

Business Failures Rebound

Commercial and industrial failures rebounded to 329 in the week ended March 28, after dropping to 295 in the prior week, reported Dun & Bradstreet, Inc. With this increase, casualties returned to about the same level as last year when the toll stood at 330 in the similar week, but they remained below the comparable 1961 level of 350. Some 6% more businesses succumbed than in pre-war 1939 when there were 310.

The week's upturn occurred among failures with liabilities under $100,000, which climbed to 286 from 250 in the preceding week although they remained slightly below the year-ago level of 296. Meanwhile, there was little change in larger casualties involving losses of more than $100,000. They held at 43 as against 45 last week but continued to exceed the 34 reported in this size group last year.

The toll among retailers rose to 151 from 143, among construction contractors to 58 from 51, and among service enterprises to 38 from 21. On the other hand, manufacturing failures held relatively steady, at 47 as against 44, and wholesaling stood at 35 as against 36. While fewer casualties occurred than a year ago in manufacturing and retailing, the tolls among wholesalers and contractors pushed ahead of 1962 levels, and service failures remained even with last year.

All except two of the nine major geographic regions reported an upswing in business casualties from the previous week. The steepest climb appeared in the Pacific States, up to 71 from 58, while the toll in the Middle Atlantic States moved to 82 from 71. East North Central failures remained about even at 74 as compared with 76 a week earlier, while the week's only decline brought the South Atlantic toll down to 29 from 41. Year-to-year trends by regions were mixed; four areas had heavier tolls, three slightly smaller tolls, and one remained even with 1962 levels.

Consumer Buying Accelerates

Warm and sunny weather gave a strong, long-awaited impetus to spring purchases in the week ending Wednesday March 27, boosting total retail volume substantially above year-earlier levels. Not only did the Pacific States recover from their recent rainy doldrums, but nearly all regions of the country shared in the quickening pace. Car sales zoomed to an eight-year record for late March, appliance buying took an upward turn from its general lull, and Easter interest in children's and women's apparel gained momentum. Of course, the seasonal call strengthened for garden, cleaning, and building supplies.

The total dollar volume of retail trade in the statement week ranged from 5 to 9% higher than last year, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1962 levels by the following percentages: West North Central —4 to 0; New England +1 to +5; East South Central +2 to +6; South Atlantic, Mountain and Pacific +4 to +8; East North Central +6 to +10; Middle Atlantic +8 to +12; West South Central +10 to +14.

Nationwide Department Store Sales Rise 3% Above Last Year's Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported an overall gain of 3% (adjusted) the week ended March 23, compared with the like period in 1962.

In the four-week period ended March 23, 1963, sales gained +3% over the corresponding period in 1962 for the country's leading department store centers.

According to the Federal Reserve System, department store sales in New York City for the week ended March 23, advanced 2% above the corresponding year-ago week.

The New York City strike of major newspapers was finally ended March 30 and the papers resumed publication on April 1 with the exception of the New York *Post* which did so a month earlier. The older Cleveland, Ohio newspaper strike is now in the throes of final settlement as of this writing. Both of these strikes without a doubt affected retail department store sales.

One can only speculate as to what department store sales might have been in the absence of the strike. Cleveland's weekly department store sales for the four-weeks ending March 23 were 2% below that for the same year-ago period but were up 1% last week compared to the year-ago week. New York City's department store sales were up 2% for each respective period in the year-to-year change.

For the year to the latest statement week (Jan. 1 to March 23, 1963), the two cities fell behind the overall average for the country as a whole in their sales' performance over the comparable period last year. The U. S. total year-to-year gain was 4% for the Jan. 1 to March 23 period whereas Cleveland fell behind 1% and New York City's rise in sales was but 2%.

In contrast to the FRB department stores 3% sales gain in the four weeks ending March 23, the Commerce Department reported *total retail sales*, unadjusted for seasonal variations, for the same four week period rose 7% compared to last year's level. The year-ago percent change for the current March 23 showed a similar gain of 8%. Retail sales "inched" to new records in both January and February, and March data encouragingly augur well for the trend to continue this month.

Tri-Continental Preferred Stock Exchange Offer

Tri-Continental Corp. announces that it is offering 810,740 shares of a newly created class of $2.50 cumulative preferred stock (par $50), in exchange, on a share-for-share basis, to the holders of its presently outstanding $2.70 cumulative preferred stock, (par $50). The exchange offer expires April 22, 1963. After the expiration of the exchange offer, the corporation may, at its option, refuse to accept deposits of the old preferred stock. All shares of the old preferred stock outstanding at the close of business on April 30, 1963, not deposited or accepted for exchange, will be redeemed at a redemption price of $55.225 per share.

An underwriting group headed by Eastman Dillon, Union Securities & Co., New York, has agreed to purchase unexchanged shares, up to a maximum of 240,000 shares of the new preferred.

The new stock will not be redeemable on or prior to May 1, 1968, in connection with a refunding involving the issuance of preference stock bearing a dividend rate lower than the new preferred stock. Otherwise, it is redeemable at the option of the company at $55 per share plus dividends accrued or in arrears.

Tri-Continental, a Maryland corporation, is registered under the Investment Company Act of 1940 as a diversified, management investment company of the closed-end type. Its headquarters are at 65 Broadway, New York.

Phila. Secs. Assn. Committees

PHILADELPHIA, Pa. — William A. Webb, DeHaven & Townsend Crouter & Bodine, President of the Philadelphia Securities Association, announced the appointment of various committees to serve the association during the current year.

Rubin Hardy of The First Boston Corporation, was named Chairman of the Arrangements and Outing Committee with Samuel M. Kennedy of Yarnall, Biddle & Co. as Vice-Chairman. Other members are: John Cannon of Stone & Webster Securities Corporation; Harry J. Kirby, Jr. of Blyth & Co., Inc.; Norman T. Wilde of Janney, Battles & E. W. Clark, Inc.; Philip P. Gaughan of DeHaven & Townsend, Crouter & Bodine and Walter F. Blaine, Jr. of Goldman, Sachs & Co.

The Membership Committee is headed by Henry E. Crouter of DeHaven & Townsend, Crouter & Bodine as Chairman. Other members are Robert G. Rowe, Jr. of Paine, Webber, Jackson & Curtis; Herbert S. Bengtson of Schmidt, Roberts & Parke and Warren H. Bodman of Yarnall, Biddle & Co.

The Program Committee consists of William A. Lacock of Janney, Battles & E. W. Clark, Inc. as Chairman; James J. Hughes, Jr. of Drexel & Co.; Edward C. P. Thomas of Harriman Ripley & Co. and John T. Skelly of Doremus & Company, Inc.

Samuel R. Roberts of Schmidt, Roberts & Parke is Chairman of the Directory Committee and E. Howard York, 3rd, of Doremus & Company, Inc., is Chairman of the Public Relations Committee.

Current News in the Field

These items are supplemental to similar notices appearing elsewhere in this issue.

NEW FIRMS

CHARLESTON, W. Va.—The firm name of Sisco Funds, Inc., Kanawha Banking & Trust Building, has been changed to **Funds, Inc.**

HOUSTON, Texas—The investment business of Myron O. Bickel is now being conducted under the firm name of **Myron Bickel Associates, Inc.**, Central National Bank Building.

NASHVILLE, Tenn.—The firm name of Summer, Bethshares & Co., 598 James Robertson Parkway, has been changed to **J. C. Bethshares & Co.**

SACRAMENTO, Calif.—**Smith & Associates**, 2401 15th Street. Richard W. Smith is a Principal.

NEW BRANCHES

ALTUS, Okla. — **F. R. Burns & Company**, 510 North Main Street. Richard W. Maffry is Manager.

CHICAGO HEIGHTS, Ill.—**Straus, Blosser & McDowell**, 15th and Park Avenue.

The new office will utilize facilities and personnel formerly identified with Mitchell, Hutchins & Co. They will specialize in financial services pertaining to the buying and selling of listed and unlisted securities, including municipal bonds and mutual funds.

Associated with Straus, Blosser & McDowell in their new Chicago Heights office as registered representatives will be: Robert F. Shields, Maurice P. Angland, Fred J. Ribando, Frank Scudella and Patrick J. Cavanaugh.

CLEVELAND, Ohio—**Gunn, Carey & Roulston, Inc.**, 10517 Carnegie Avenue.

DOYLESTOWN, Pa.—**F. P. Ristine & Co.**, 40 East Court Street. William A. Rawak is resident partner in charge. Mr. Rawak was formerly local manager for Thayer, Baker & Co., Inc.

NEW YORK CITY—**Paine, Webber, Jackson & Curtis**, 425 Park Ave. Charles O. Ames is resident partner in charge.

NORFOLK, Va.—**Investment Corporation of Virginia**, 1518 Johnstons Road. William J. Leonard is Manager.

OZONE PARK, N. Y. — **Norman, Wolf & Co., Inc.**, 107-02 Cross Bay Boulevard. Jacques D. Wolf will direct the operations of the branch.

PALM DESERT, Calif.—**Walston & Co., Inc.**, 73-851 Highway 111, Solle P. Manasse is resident Manager.

SALEM, Ore.—**Blyth & Co., Inc.**, 541 Court Street, N. E. Richard A. Olson is resident Manager.

SUFFERN, N. Y.—**Carl M. Loeb, Rhoades & Co.**, 71 Lafayette Ave. Thoburn G. Cleaver, Jr. is Manager.

WEST HARTFORD, Conn.—**William Jennings & Co., Inc.**, 968 Farmington Avenue. William E. Sylvester, Jr. is local Manager.

PERSONNEL

ASHEVILLE, N. C.—Clarence N. Ray has become connected with **Merrill Lynch, Pierce, Fenner & Smith Incorporated**, 29 Page Avenue.

BOSTON, Mass. — Gustav Zeller III has become associated with **Josephthal & Co.**, 19 Congress St. He was formerly with Goodbody & Co.

BOSTON, Mass. — Stephen D. Laveson has been added to the staff of **Proctor, Cook & Co.**, 10 Post Office Square, members of the New York and Boston Stock Exchanges.

CHARLOTTE, N. C.—Jerry E. Cohen has joined the staff of **Goodbody & Co.**, 217 South Church Street. He was formerly with Francis I. du Pont & Co.

CLEVELAND, Ohio — Gerald S. Powers is now connected with **McDonald & Company**, Union Commerce Building, members of the New York Stock Exchange. He was formerly with Saunders, Stiver & Co.,

CLEVELAND, Ohio—Joseph H. Ternes has become associated with **William T. Robbins & Co., Inc.**, Terminal Tower. He formerly was with Joseph, Mellen & Miller, Inc. and Lawrence Cook & Co.

COLUMBUS, Ohio—John G. De Witt has joined the staff of **McDonald & Company**, 50 West Broad St., He was previously with the Ohio Company.

DENVER, Colo. — Ransford C. Shelley is now associated with **Hornblower & Weeks**, American National Bank Building. He was formerly with Walston & Co., Inc. and Cruttenden, Podesta & Miller.

FAYETTEVILLE, N. C.—Stephen I. Schneider is now with **Powell, Kistler & Co.**, 110 Old Street, members of the New York Stock Exchange.

LINCOLN, Neb.—Edmund P. Bronson has been added to the staff of **Lamson Bros. & Co.**, Stuart Building.

MIAMI, Fla.—**H. Hentz & Co.** has opened a new commodity department in their office at 10 Northeast First Ave., under the direction of Harry Wagner and Dario A. Zignago.

MILWAUKEE, Wis.—Carl E. Bethke has become associated with **Francis I. du Pont & Co.**, 605 North Broadway. He was formerly with Walston & Co., Inc. and Bache & Co.

MILWAUKEE, Wis. — Horace D. Ward has become affiliated with **Kidder, Peabody & Co.**, 111 East Wisconsin Avenue. He was formerly with Robert W. Baird & Co., Inc. and Walston & Co., Inc.

MILWAUKEE, Wis. — Louis J. Morgan has become connected with the **Marshall Company**, 111 East Wisconsin Avenue, members of the Midwest Stock Exchange.

MINNEAPOLIS, Minn. — Richard C. Balhorn has been added to the staff of **Irving J. Rice & Company, Inc.**, Pioneer Building.

NEW YORK CITY—A. Benjamin Stratton is now a partner in **Stratton & Co.**, 15 William St. Mr. Stratton was formerly President of the firm.

OMAHA, Neb. — Ervin Collwell has become affiliated with **Van Horne Investments, Inc.**, Farm Credit Building.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL

WASHINGTON, D. C.—With the United States Treasury apparently faced with big annual deficits for the next several years, Congress is watching with more than casual interest management of the colossal debt by the Treasury.

Congress will be called upon this spring to raise the ceiling on the national debt, and some of the more conservative members are apprehensive that the deficit next year may exceed $12 billion.

Members of Senate and House Committees who deal in appropriations and in fiscal affairs of the Federal Government will be watching with marked interest the outcome of next week's $300 million bond issue to mature in 1994, but callable in 1989.

Members of the Joint Economic Committee of Congress are predicting that the issue will be subscribed to rather quickly after the successful syndicate offers them to the public.

The Joint Economic Committee majority was pleased with the demand for the long-term bonds issued by the Treasury in January. In a recent report the Committee majority advocated that the Treasury make the auction technique a part of debt management policies.

Meantime, the Federal Reserve System's Board of Governors says that one result of the recent debt management by the Treasury that has evoked attention is the growth of the short-term debt-treasury bills and coupon issues due within a year.

Short-Term Financing Emphasized by the Treasury

Short-term securities held by the public in 1962 were increased by $1 billion, as compared with a growth of more than $8 billion in 1961.

The treasury stepped up the supply of Treasury bills in 1962. However, the efforts to lengthen the debt more than offset the effect of the passage of time and reduced the supply of short-term coupon issues.

The Treasury, in financing short-term debt, has stressed auction of bills. Why has it done this? "In this way it has continued to work for a more regular rollover of short-term issues, and at the same time has implemented its recent policy of minimizing downward pressures on Treasury bill rates," according to the Federal Reserve Board.

"This policy-part of a broad Government program to reduce the deficit in the U. S. balance of payments and to limit gold losses —has sought to keep bill rates from declining to levels that might encourage outflows of short-term capital," the Board said in a discussion of changes in the structures of the Federal Debt.

The Federal Reserve Board likes the auction technique which the Treasury introduced in June, 1960. The method is credited with contributing to both the growth of the marketable debt due after five years and to the the decline of the debt in the one-to-five-year period.

It is now costing some $10 billion a year in interest to finance the Federal debt. There is nothing in sight to indicate that the cost will decline. On the other hand, there are indications it will increase for the next several years.

Would Tie Salaries to Debt Changes

Neither is there any indication Congress will pass this year or next a proposal by Rep. K. W. Stinson, a Republican of Washington State. The Congressman from the Northwest introduced a unique bill that would provide for increasing and decreasing the salaries of members of Congress.

The Stinson proposal would reduce the salaries of each Representative and Senator by 1% for each $1 billion increase of the national debt. On the other hand, for each $1 billion cut in the national debt, the salaries of the Congressmen would be raised by 1% over the previous fiscal year.

The Federal Reserve in discussing changes in the debt structure, also said the changes affected the general structure on yields on U. S. Government securities.

"The data on changes in the maturity structure of publicly held Treasury debt seem to provide some support for the presumption that changes . . . have influenced Treasury yields," said the Board in a new Bulletin. For example, in 1961 public holdings of debt due within three years grew by more than $12 billion, and this probably contributed to the general rise and steepening of the short end of the January 1962 yield curve relative to the January 1961 curve.

Swollen Time Deposits Influenced Rate Trend

There were several factors in the pattern of interest rates in the 1961-62 period, including the pace of economic expansion, demands for long-term loans, demands for bank credit, among other things.

"Of all these factors," said the FRB, "perhaps the most significant was the growth in time deposits at commercial banks. Higher interest rates on time deposits and time certificates of deposit channeled a large volume of short-term funds into the banking system. A large part of these funds might otherwise have been invested directly in short-term securities.

"Because banks tended to invest their time deposit accretions in medium and long-term assets, the banking system served as a power vehicle for transferring flows of funds from short- to long-term markets, thereby contributing to declines in long-term rates. At the same time the increased competitiveness of rates on time deposits and time certificates of deposit cut into demand for short-term Government securities and maintained upward pressure on short-term rates."

While discussing interest rates, the records of our Government show that six cents of each Federal dollar now go to fixed interest charges.

Federal Disbursements Up 24% In Fiscal 1964

Total Federal payments to the public in the 1964 fiscal year beginning July 1 are estimated at $133.5 billion. This figure is 24% greater than the $98.8 billion recommended by President Kennedy in the administrative budget next year.

Most of the difference between the two totals consists of payments from trust funds, including social security, retirement benefits, unemployment compensation, and grants to states from the highway trust fund.

Of course most of the appropriations will be devoted to the Department of Defense, space exploration and the continuing costs of past wars. Veterans benefits and debt interest, expenditures which grew out of past wars, are expected to require $13.7 billion.

[*This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.*]

"I TOLD him he was foolish to skip shaving until Congress passes medicare!"

COMING EVENTS

IN INVESTMENT FIELD

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 5, 1963 (Toronto, Canada) Toronto Bond Traders Association 31st Annual Dinner at the King Edward Sheraton Hotel.

April 17-21, 1963 (Syracuse, N. Y.) American Bar Association Regional Meeting.

April 26, 1963 (New York City) Security Traders Association of New York Annual Dinner in the Grand Ballroom, Waldorf-Astoria Hotel.

CHRONICLE's Special Pictorial Section May 9.

May 3, 1963 (Pittsburgh, Pa.) Pittsburgh Securities Traders Association annual spring outing at the Oakmont Country Club.

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.

May 16-17, 1963 (Cincinnati, O.) Municipal Bond Dealers Group of Cincinnati Annual Field Day—Reception and Dinner May 16 at the Queen City Club; Outing May 17 at the Losantiville Country Club.

May 16-17, 1963 (Nashville, Tenn.) Nashville Association of Securities Dealers annual spring party at the Hillwood Country Club and Belle Meade Country Club, respectively.

May 17, 1963 (Baltimore, Md.) Baltimore Security Traders Association 28th annual spring outing at the Country Club of Maryland.

May 23, 1963 (Omaha, Neb.) Nebraska Investment Bankers Association annual field day at the Omaha Country Club (preceded May 22nd by cocktails and a dinner.)

May 30-31, 1963 (Atlanta, Ga.) Georgia Security Dealers Association Spring Party. A Cocktail Party and Dinner will be held May 30, with Outing on May 31.

June 19-21, 1963 (Chicago, Ill.) Investment Bankers Association Municipal Conference at the Pick-Congress Hotel.

June 20-23, 1963 (Canada) Investment Dealers Association of Canada Annual Meeting at Jasper Park Lodge.

June 21, 1963 (Philadelphia, Pa.) Investment Traders Association of Philadelphia annual summer outing and golf tournament at the Whitemarsh Country Club, Whitemarsh, Pa.

June 27, 1963 (Des Moines, Iowa) Iowa Investment Bankers Association 28th Annual Field Day at the Wakonda Club.

CHRONICLE's Special Pictorial Section July 11.

Sept. 11-13, 1963 (Pebble Beach, Calif.) Investment Bankers Association Board of Governors Meeting at the Del Monte Lodge.

Sept. 22-26, 1963 (Colorado Springs, Colo.) National Security Traders Association Annual Convention at the Broadmoor Hotel.

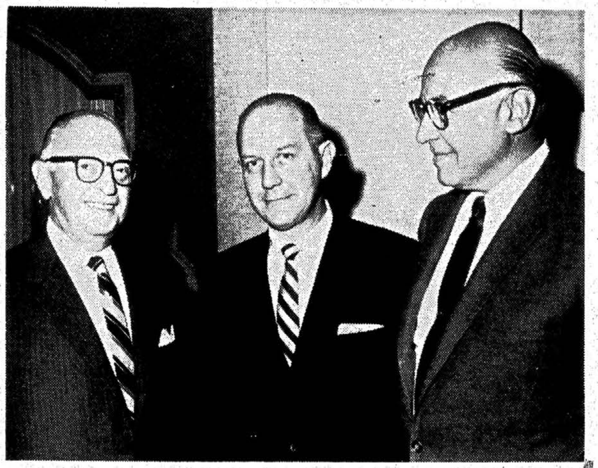
CHRONICLE's Special Pictorial Supplement Oct. 17.

Dec. 1-6, 1963 (Hollywood Beach, Fla.) Investment Bankers Association of America Annual Convention at the Hollywood Beach Hotel.

CHRONICLE's Special Pictorial Supplement Dec. 19.

May 16-24, 1964 (N. Y. City) National Association of Mutual Savings Banks 44th Annual Meeting at the Commodore Hotel.

New York Security Dealers Association



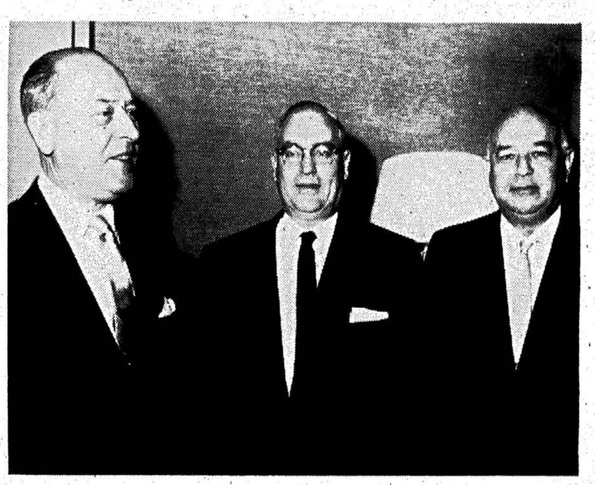
Samuel Weinberg, *S. Weinberg, Grossman & Co.*, President of New York Security Dealers Association; Bernard Eberwein, *Alex. Brown & Sons* (Baltimore); Lester Frenkel, *Gersten & Frenkel*

George Barrie, *Rayette, Inc.*; Edwin Posner, Chairman of the Board, *American Stock Exchange*; Robert S. Taplinger, Guest

Herbert Singer, *Singer, Bean & Mackie, Inc.*; George Price, *Price & Davis*; Albert Stern, *Singer, Bean & Mackie, Inc.*; Robert A. Mackie, *Singer, Bean & Mackie, Inc.*

Philip Carret, *Pioneer Fund*; Frank Dunne, *Dunne & Co.*; Gene Statter, *Mabon & Co.*; Harry R. Amott, *Amott, Baker & Co., Inc.*

Robert N. Kullman, *John J. O'Kane, Jr. & Co.*; Frank J. Fitzpatrick, *Gregory & Sons*; John F. Sammon, *John J. O'Kane, Jr. & Co.*



Edward C. Gray, *New York Stock Exchange*; Elbridge Smith, *Stryker & Brown*; David Morris, *David Morris & Co.*

Joseph M. Rinaldi, *H. D. Knox & Co., Inc.* (Boston); Nat Gordon, *Troster, Singer & Co.*; Micky Pauley, *Troster, Singer & Co.*

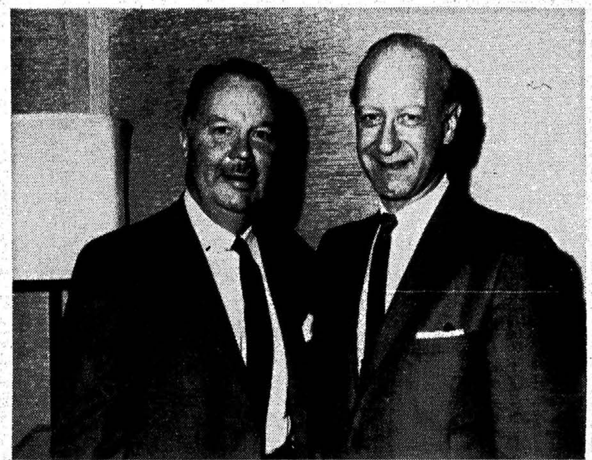
Wilfred N. Day, *Charles A. Day & Co.* (Boston); Col. Oliver J. Troster, *Troster, Singer & Co.*; John D. Ohlandt, Jr., *New York Hanseatic Corp.*; Frank J. Ronan, *New York Hanseatic Corp.*

Carl W. Schramm, *Amalgamated Bank of New York*; Ray F. Vanderhoff, Guest; Stewart G. Stolnecker, Guest; John R. Schermerhorn, *Fidelity Union Trust Company* (Newark, N. J.)

37th Annual Dinner

Frank Power; Wellington "Duke" Hunter, *Wellington Hunter Associates* (Jersey City, N. J.)

Walter Filkins, *Troster, Singer & Co.;* George Koros, *Dean Witter & Co.;* Vincent P. Shea, *Glore, Forgan & Co.*



Joseph C. Cabble, *Bruns Bros. & Denton, Inc.;* Murray W. Stillman, *Abraham & Co.*

Robert Topol, *Greene and Company;* Bill Radetzky, *New York Hanseatic Corporation* (Philadelphia); Gregory R. Falk, *Greene and Company*

Edward Schaefer, *H. D. Knox & Co., Inc.;* Anton Spacek, *H. D. Knox & Co., Inc.;* Frank Daines, *Hayden, Stone & Co., Inc.;* Ernest Lienhard, *Troster, Singer & Co.*

George Barrie, President of *Rayette, Inc.*, Guest Speaker; Elbridge Smith, *Stryker & Brown*, Chairman of the Dinner Committee

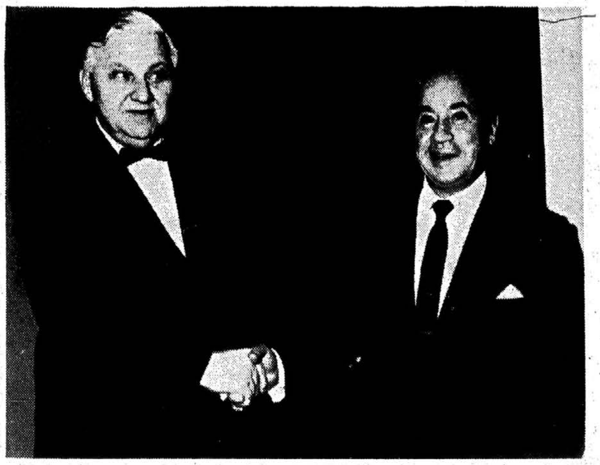
Frank Dunne, Jr., *White, Weld & Co.;* Charles R. Calusen, *Hoit, Rose & Co.;* Peter R. Noon, *Hoit, Rose & Co.*

Frank Y. Cannon, oldest living President of the original Association of New York Security Dealers

Edward S. Hinckley, *Adams & Hinckley* (Newark, N. J.); R. V. Adams, *Adams & Hinckley* (Newark, N. J.); S. M. Weissenborn, *Parker & Weissenborn, Inc.* (Newark, N. J.); Philip P. Arnheiter, *Adams & Hinckley* (Newark, N. J.)

George Pattinian, Guest; Edward N. Enright, Executive Secretary, New York Security Dealers Association; Harry S. Bills, Jr., Guest; James P. Rougherty, Guest

At The Waldorf-Astoria



Bill Moran, *American Stock Exchange;* Irving A. Greene, *Greene and Company*

"Hoy" Meyer, *Wood, Walker & Co.;* George A. Searight, *D. H. Magid & Co., Inc.;* Jerry O'Connor, *Wood, Walker & Co.*

Edwin L. Beck, *Commercial & Financial Chronicle;* Michael J. Heaney, *Michael J. Heaney & Co.*

Don Fleming, *A. G. Becker & Co., Inc.;* Robert Wallace, *Troster, Singer & Co.;* Jan Brooks, *Stryker & Brown;* Justin Colin, *Stryker & Brown;* Eugene Schmelzer, *Stryker & Brown*

John H. Stevenson, *Singer, Bean & Mackie, Inc.;* Sid Holtzman, *Singer, Bean & Mackie, Inc.;* David Wittman, *Wm. I. Rosenfeld, Jr. & Co.;* Sid Ornstil, *Singer, Bean & Mackie Inc.*

John Schneider, *Allen & Company;* Ben Kerrigone, *Allen & Company;* Walter O'Hara, Jr., *Allen & Company*

Micky Pauley, *Troster, Singer & Co.;* Ben Gold, *Gold, Weissman & Frankel;* Arthur Wiegner, *Lehman Brothers*

George G. Reiss, *Grace Canadian Securities Inc.;* Jerry Burchard, *Charles King & Co.*

Philip Tuniman, *Merrill Lynch, Pierce, Fenner & Smith Inc.;* Sam Milt, *New York Hanseatic Corporation;* James Hageney, *Merrill Lynch, Pierce, Fenner & Smith Inc.*

Stanley Kulakowski, *Bache & Co.;* Walter M. Wall, *Merrill Lynch, Pierce, Fenner & Smith Inc.;* Charles Truchan, *Merrill Lynch, Pierce, Fenner & Smith Inc.*

Allen J. White, *Allen J. White & Co., Inc.* (Providence, R. I.); Gerald Kasten, *Allen J. White & Co., Inc.* (New York); Earl C. Sylvander, *Allen J. White & Co., Inc.* (New York)

March 29, 1963

R. Michael Dunne, Guest; Gambol J. Dunn, Guest

Sidney Jacobs, *Sidney Jacobs Co.;* Al Tisch, *Fitzgerald & Company*

Tom Callahan, *Gersten & Frenkel;* Jack Thompson, *Wertheim & Co.*

Hans Ben, *New York Hanseatic Corporation;* Aaron Netburn, *New York Hanseatic Corporation;* Mike Grunebaum, *New York Hanseatic Corporation*

Dick Crooks, *Allen & Company;* A. A. Geller, *Allen & Company;* Herbert A. Allen, *Allen & Company;* Larry Lyons, *Allen & Company*

Jules Golden, *Greene and Company;* Edwin Jacobs, *Greene and Company;* Libby Palermo, *Greene and Company*

Joseph L. Wolf, *National Quotation Bureau, Inc.;* William F. Moss, *National Quotation Bureau, Inc.*

Larry Wren, *Allen & Company;* Morton Weiss, *Singer, Bean & Mackie, Inc.;* Stuart Rubinstein, *H. Hentz & Co.*

Howard C. Allen, *Albert Frank-Guenther Law, Inc.;* Harry Michaels, *Allen & Company*

Bob Mackie, Jr., *Singer, Bean & Mackie, Inc.;* Charles M. Truchan, *Merrill Lynch, Pierce, Fenner & Smith Inc.;* Wally Wall, *Merrill Lynch, Pierce, Fenner & Smith Inc.*

Charles S. Offerman, *Troster, Singer & Co.;* Stanley L. Roggenburg, *Roggenburg & Co.*