National Business Outlook for 1964
Under Varying Tax Assumptions

By Dr. Grover W. Emley, Executive Vice-President, National Association of Mutual Savings Banks, New York City, N. Y.

High hopes expressed for the economy's performance in 1964 foresee new records in many sectors. Quantitatively talked they spill either a 1910 or 1929 billion GDP depending upon whether proposed tax cut is passed with effective date of next Jan. 1. Either way Dr. Ensluy says 1964 will be a good year; prove uncertainties facing the economy and payments’ balance; discreetly views savings competition and commodities savings banks for their superior competitive strength.

The national business outlook for 1964 is good. We will start 1964 with a $600 billion economy, and should see it grow steadily throughout the year. There are, as always, elements of uncertainty in the private sector and in public policy. But in spite of these imponderables, we can be reasonably sure that in the next 12 months the nation will achieve new records of employment, production, income, investment and consumption. These new records, moreover, will be attained in a climate of relatively stable prices and interest rates.

I would like to spell out my views on the likely course of business next year, and discuss some of the uncertainties that surround the outlook. In my judgment, resolution of major pending issues will affect the business scene only slightly in the short-run, but could have significant long-run results. These results may well dominate discussion of the outlook at your conference next year. Turning now to the short-run business outlook, it should be pointed out that this is a bit early in the season for forecasters. Results of a number of important surveys of intentions and plans for next year are not yet available. Therefore, I am compelled to speak in more general terms than I would like.

With these limitations in mind, how does 1964 look by major segments: Government, including Federal; state and local; private investment, encompassing capital expenditures, inventory changes and residential construction; and finally, consumer expenditures? Will the resulting aggregate Gross National Product fully utilize our labor force and our productive capacity? Will the balance of payments problem be eased or worsened? What will happen to prices and interest rates? What effect will a tax cut, or on the other hand, failure to reduce taxes, have on the main economic sectors and on the economy as a whole?

Dr. Grover W. Emley

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(The COMMERCIAL and FINANCIAL CHRONICLE)

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Gulf Life Insurance Company
Gulf Life’s 1962 Writers offensive showed outstanding results. The 1962 year was the best in the company’s history. The new insurance in force increased by $195,963,300 against $65,334,709 the year before. Near the end of 1962 the company adopted the program of "at Gulf Life everybody sells.” This new program has certainly shown outstanding results for the nine months ending September, 1963. The gain in insurance in force at the end of the nine month period was $1,729,000. Sales of new insurance in this period totaled $240,900,000 against $162,600,000 in the corresponding period in 1962. A further breakdown of this shows sales of ordinary life $104,200,000 vs. $59,600,000, group life $92,200,000 vs. $59,000,000, and weekly premium insurance $45,500,000 vs. $32,000,000. Annually in 1962, assets for the period ending September, 1965, were approximately $122,000,000, up from $94,000,000 for the year ending 1962. The company has continued its five-year expansion program by opening a new district office in Winter Park, Fla., and agency offices in Decatur, Ga., and Charlotte, N. C., and has announced it will build a new home office building in Jacksonville, Fla. Planning for this $20,000,000 office building and complex is now under way.

Based on the revitalization of the company and its operation in areas of growing population and increasing per capita income, the outlook for the future of Gulf Life is highly promising.

Gulf Life was incorporated and began life in 1903 as the Gulf Life and Accident Company. The present name was adopted in 1924 with the acquisition of Fidelity National Life Insurance Company of Tampa was absorbed. The company writes ordinary life insurance, both participating and non-participating, individual annuities, group life and accident and health, industrial life, and sickness and accident insurance. Operations are conducted in these 10 southern states: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee and Virginia. In 1962, 49,072, a spray-on cover of Gulf Life were purchased by American Life and Casualty Company of Birmingham, Ala. at a cost of approximately $42.50 a share from the Murchison brothers of Dallas. Following the acquisition of this stock, Troy Post was elected Chairman of the Board. American Life of Alabama is now controlled by the Great Western Group in which Mr. Post is President and Chairman of the Board. Through this close working arrangement, with other companies—Franklin Life, American Life—which are controlled by the Great Western Group, has adopted many of the highly successful marketing methods used by these companies.

Gulf Life’s capitalization consists solely of 2,772,000 shares of common stock, traded in the Over-the-Counter Market and quoted at around 57-58.

GARRETT J. NAGLE, JR.
Analyst, Burdines & Leigh, Boston, Massachusetts

Alberto-Culver Co.

"Trust judgment, Respect speed. Invest in the future. Don’t revel in the past. Build. Build. Build." has been the corporate creed of the Alberto-Culver Company as portrayed by its outstanding president, Leonard H. Lavin. Examination of Alberto's modern organization appears to demonstrate the success of this modern day merchandising formula.

The company today is a result of the construction of the three ventures in 1955. From this modest ancestry has developed a company meeting to record approximately $90 million in sales for the 1963 fiscal year ending in November, and net income of approximately $3,500,000 after taxes (see table).

Sales in this brief eighty-year span are approaching one-third the volume of the well-known merchandising giant, Parke, Davis & Co.

Alberto’s primary objectives stated by Mr. Lavin are "first substantial growth and profits, and then an equitable cash dividend." The stock is traded in the Over-the-Counter Market.

R. J. Porter Opens

LAKEWOOD, N. J.—Robert J. Porter is conducting a securities business from offices at 11 East Fairmount Avenue. Mr. Porter was formerly with Doolittle & Co.

Public Secs. Co. Opens

PALL, RIVER, Mass.—Harold G. Lash is engaged in a securities business from offices at 18 Bedford Street under the firm name of Public Securities Company.

Form J. B. Williams Co.

CHARLESTON, S. C.—J. B. Williams & Co., Inc. is engaging in a securities business from offices at 125 Meeting Street. Officials of the firm are Julius B. Williams, President; Lloyd T. Adams and Paul V. Hawkins, Vice Presidents; and Joyce K. Woods, Secretary.

The Commercial and Financial Chronicle

This week's Forum Participants and Their Selections

Gulf Life Insurance Co.—Lloyd M. Mayer, Investment Research Dept., Barret, Fitch, North & Co., Inc., Kansas City, Mo. (Page 2)

Alberto-Culver Co.—Barrett Jones, C. L. Lavin, Jr., President, and Leith, Boston, Mass. (Page 2)

Product recognition is fostered by an advertising budget of approximately $1.160,108,367 almost entirely to the television media which, in the opinion of management, offers maximum exposure for mass marketed consumer products. This large budget, as a corollary function, induces trade acceptance due to the retailer’s dedication to fast moving items. It is noteworthy that the advertising budget, although continuously expanding, is growing at a decreasing percentage. Due to the facts that sales of established products have grown at a greater rate than the promotion orientation, the existing conclusion is derived that in Alberto's case, as no money has been invested for the past, the less the advertising to sales ratio has become.

The success of the company is largely due to its founder, Leonard H. Lavin, who at 44 years of age has recorded over 20 years of diverse experience in his industry. With twelve other coherently operating executive executives, the company has been able to expand from a small to a large corporation with a dramatic volume increase, but more notably has been the concomitant increase in net income and Joyce K. Woods, Secretary.

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Proposal to Professionalize Registered Representatives

By Joseph F. Bradley, Professor of Finance, College of Business Administration, Pennsylvania State University, University Park, Pennsylvania

The time has now come for securities salesmen to cross the threshold into professional status. That they have been hot steps away is highlighted in Professor Bradley's recapitulation of the strides taken to improve the training and knowledge, etc., of registered salesmen toward the ultimate goal of complete and ready responsibility by such groups as the New York Stock Exchange, the Association of Customers' Brokers, and the National Association of Securities Dealers among others. Equally relevant is the need for several other professions, and note is taken of this fact that though the Chartered Life Underwriters comprise 10% of insurance salesmen, we have only 0.1% of the country's insurance salesmen. Professor Bradley outlines what standards must be met to bring about the desired elevations; suggests that the Association of Customers' Brokers supervise the granting of professional degrees and become the certifying organization; and predicts that such a strong professional security will advance the financial well-being of our country in protecting the best interests of investors, brokerage firms, the financial community and the general public. He suggests the title of Chartered Securities Advisor for those meeting the degree.

The professionalizing of registered representatives has been under discussion for some time. This is part of a national trend to upgrade many commercial activities where a high degree of competence and ethics is required in handling the public's affairs. The securities industry has long been recognized as a leader in instigating measures to promote ethics and financial integrity. The New York Stock Exchange established "just and equitable principles of practice" in its early beginnings. The Stock Exchange and the industry have been raising steadily standards of knowledge, experience, and performance. The concept of a professional stockbroker, however, has been an intellectual framework for even more rapid progress in these areas and to correct abuses, where they exist.

The purpose of this study is to offer the opinion that registered representatives should assume all the characteristics that accompany professionalism. The basic issue is whether the securities business in general, and registered representatives in particular, will be willing to meet the standards of excellence required for professional status, whether their registered representatives are able to shoulder the special responsibilities imposed on a professional group. The conclusion of this study is that registered representatives can and must work toward professional status. Furthermore, the discussion will point to the future—a period when the requirements for professional status will be even more stringent than they are at present. This discussion has been heightened this year by observations in the Securities and Exchange Commission's Special Study of Securities Markets. One of the conclusions of the section on Qualifications of Persons in the Securities Industry states: "The right to carry on those functions of the industry which involve the public investor should be available only to those who shall have demonstrated their ability to meet at least minimal standards of integrity, competence and financial responsibility."

Origin of the Term Registered Representative

Prior to 1920, the greater part of the securities selling business was handled by partners of the New York Stock Exchange firms. As the public began pouring money into the securities markets in the 1920s, employers were needed to take care of this increasing volume; they have been known as customers' men. No particular training or experience was required in the rush of 1927-1929; many unqualified persons obtained employment in this capacity. When announcing its first formal examinations for customers' men in 1936, the New York Stock Exchange set up the designation of registered representative as applying to any member firm employee who solicits or places orders for securities and is compensated for this function. The term registered representative, which has been widely adopted in the securities business, therefore, emerged from that of customers' man. The term registered representative is a broad classification that includes representatives serving in commodity commission or advisory capacity, security salesmen, analysts, order clerks, secretaries, and sales personnel. It is important that professionals in this field be aware of the term registered representative.
Mortgage Guaranty Insurance Corporation

By Dr. Ira U. Colleigh, Economist

A short account of the origin, operation, earning and growth power of the present private insurer of home mortgage loans.

As everyone knows, the Federal Housing Administration is a huge guarantor of home mortgages. But there has always been a private mortgage market a nationwide network for mortgage insurance available at lower rates than those charged by FHA and covering a broad section of conventional first mort¬
gages, which offer home owners the economic advantages of high ratio loans and low down payments. To fill the need for this kind of mortgage protection, Mortgage Guaranty Corporation was founded in 1896. Incorporated in Wisconsin, MGIC now does business in 42 states and the District of Columbia.

Service Area

MGIC is a private enterprise counterpart of FHA. It protects lenders by insuring loans on owner-occupied single family homes to a maximum of 90% of appraised value; and on two to four family, apartment buildings (up to four families) to a maximum of 80% of appraised value. It limits its coverage to first mortgages on improved residential property; but does not insure on newly built, homes. In practice the maximum loan insured is 85% of the appraised value when the loan to value is 80% or less; and $25,000 when the ratio is over 80%.

At mid-year 1963, MGIC coverage was available through more than 2,700 lending institutions. Over 92% of these were Savings and Loan associations, which, more than other lending institutions, had broadly accommodated the need for high ratio loans.

Commitments and Rates

Mortgage Guaranty Insurance Corporation offers the advantages of "instant" insurance and low premiums. The borrower's application is reviewed and a commitment is form supported by his loan application, credit report, lender's appraisal and a check of the property. If the loan qualifies, the insurance commitment is promptly given, usually within 24 hours. The premium (paid by borrower) is either 2% of the insured loan for the first 10 years of coverage; or on annual premium charge of one-half of 1% of the amount of the loan for the first year of coverage, with reductions at one-quarter of 1% of the debt for the remaining 9 years. (FHA charges one-half of 1% of declining balance for the life of the loan). MGIC also charges a $20 appraisal fee review fee on loans exceeding 80% of appraised valuation. Insurance can be terminated if the borrower pays at least the unearned premium returned to borrower.

MGIC-approved lenders are inspected and examined. Mortgage, Policies which outline conditions of coverage for all loans submitted and approved; and these policies involve no obligation on the part of the lender to insure a minimum value of business.

Appraisals

The key to sound mortgages is sound appraisal. MGIC selects and qualifies with great care the financial and administrative standards its subsidiaries, for its acceptance of loans for insurance coverage. Further the lender's knowledge of regional markets and conditions is most valuable. It is a prime responsibility for its appraisers to maintain, however, to spot-check and verify lender's appraisals.

Special Coverage

MGIC insurance doesn't cover much more than the top 20%, regardless of balance so large as the insurance is in force. For example if a buyer puts down $2,000 on a $20,000 home, MGIC in effect insure $18,000 (90% of $20,000 loan) reducing the lender's total exposure to loss of $1,400 or only 7% of the value.

The lender is protected at the most vital area, and given the amount of insurance he needs at a price the home owner can easily afford. In a default, MGIC may or may not find it advisable to make an immediate payment of the mortgage balance for resale (and full payment to lender); but, in any event the lender will be paid the top 20% of the loan in cash. This co-insurance is a powerful force for sound, realistic and accurate property appraiser by the lender at all times.

Growth

That MGIC fills a vital economic need is illustrated by its quite remarkable growth rate. At Dec. 31, 1957 it had insured $13,732,734 of residential mortgages. At the 1959 year-end insurance in force had grown to over $123 million, in 1960, $260 million. At Dec. 31, 1962 MGIC had $1.2 billion of insurance and over 100,000 policies in force. Application volume in the month of May 1963 alone was over $80 million.

One of the results of President Kennedy's tragic death was that we will have to begin next year's elections between conserv¬
tives and liberals. It has been rumored that Senator Barry Goldwater al¬
though he is a formidable opponent of Presi¬
dent Lyndon Johnson, but for the fact that he is a major liberal, does not think he is worth the risk. His great strength lay in the South. Johnson is a Southerner and, al¬
though he came out strongly for a civil rights stand, he will not be as unsuppliable as to cause the southern states to bolt. The story that there will be a "lyndon is a Southerner and, it is only for civil rights it is necessary to win. He doesn't mean it."

The Republicans now go out and try to get the Negro vote from the Democrats. In fact, it will probably be the same old story, if the point that Johnson can't possi¬
ble be sincerely for civil rights be realized, he will of course impair the strength of the South and they will get count¬
less Negro votes on this argument.

Johnson in reality is neither conservative nor liberal in essence, a very practical man. Much will depend on whether or not he has the backing of the Federal troops in the South. If he has, he will succeed. If Johnson should have to do this, it might cause the Southerners to depart from a fellow Southerner. For the Republicans seemingly has changed to the populous states of the Pacific coast. Two of these states, California and New York, in 1962 elected Republican senators. so the Republicans if they had a good candidate might easily beat Johnson. Although the late President Ken¬
dey ran 116,326 votes ahead of Richard Nixon in Pennsylvania in 1960, Governor Scranton won with a lead over Nixon of $45,000,000 a three to one vote. And Gov¬
er Rockefeller was re-elected in 1962 by more than half a mil¬

Two Appointed by Nat’l Securities Research

Ira G. Jones and L. L. Moorman will assume new responsibilities as Consultants to the President of National Securities & Research Corporation, 129 Broadway, New York City, effective on February 1, 1963.

For the past 20 years, Mr. Jones has been Vice-President in charge of the Eastern region for the National and Mr. Moorman has been Vice-President in charge of the Southern states.
Observations

By A. Wilfred May

The Actual Return on Common Stocks

Over the long-term, the rates of return on all stocks listed on the New York Stock Exchange have been surprisingly high. During the entire 55-year period, 1898-1953, the compounded annually, they were 9.6% for tax-exempt institutions; 8.5% for individuals in the $5,000 income class; and 6.84% for persons in the $50,000 income class. (Incidentally, differences in returns from per annum, compounded annually, would be worth over $20 in 35 years.)

The rates in the postwar periods have been exceptionally rewarding—materially higher than for the period prior to the war except during the period of recovery following the depth of 1932. For the postwar period 1940-60 as a whole, the returns averaged 10% for all tax brackets pertaining up to 45,000 income, even after payment of capital gains taxes. This has been true of all the interwar periods.

This is the basic finding of a major study just completed by the Center for Research in Security Prices of the Graduate School of Business in the University of Chicago. The survey represents a 35-year research project, during which a tremendous amount of data was collected, as well as the feeding of millions of statistics into computers. It was conducted under the direction of Professors James R. Loree and Lawrence Fisher, who, together with Louis Engel, Vice-President of Merrill Lynch, Pierce, Fenner & Smith Inc., and other members of the New York Stock Exchange, conducted an explanatory news conference last week. (Funds to support the gigantic amount of work entailed came primarily from Merrill Lynch, Pierce, Fenner & Smith Inc. In addition, financial support was received from the Ford Foundation and the National Science Foundation.)

The study presents the most comprehensive showing that has ever been made of the return from investments in common stocks, comprising all of the stocks ever listed on the New York Stock Exchange. It discloses how much gain or loss an investor might have realized from random selection of stocks and how the returns varied during 22 different time periods.

Although it sets forth a number of investment returns, but they have been delineated into numerous sectors. Most have lacked comprehensiveness, consisting of only a fraction of the returns in each stock. These returns, one of the popular stock averages, and, at best, far short of representing their variation over time, have covered. Again, past studies have dealt with the average of two or relatively brief intervals; in contrast between current returns; portfolio selection based on past performance; the relationship of market movements to external economic factors; and the importance of individual balance sheets in future valuation.

From our Mail Box

The Assassination Market

Dear Mr. May

In your article in the current issue (November 28) of the Chronicle, I wonder, however, if you should not have paid attention to the fact that the technical information illustrated has been affected on Wednesday and Thursday of last week as a result of the suspension of trading of two brokerage houses, and the widespread reports that one of these firms is in trouble and the other cleared away all of its assets, as well as the report that the lender's customers might have their accounts frozen for a year or longer, and eventually lose 10% or more of the equity. I think there is little question that the very sharp drop in prices on Tuesday was due in some measure to the fact that the Wall Street professionals who had been disturbed over the repercussions of the bad news, and was reported to see as a result of the Ira Hapton failure.

I wish that in one of your future articles you could give some publicity to the possibility that these developments might be considered a result of the Ira Hapton failure.

Michael L. Ingraham

Pollock Elects M. L. Ingraham

BEVERLY HILLS, Calif.—Michael L. Ingraham was elected Assistant Vice-President of the investment banking firm of Wm. E. Pollock & Co., Inc., primarily in United States Government investment. He is on the staff of the firm's Beverly Hills branch, 275 S. Beverly Dr.

Prior to joining the firm in 1963 he was associated with Union Bank of Los Angeles in charge of the bond department's customer portfolio division.

Wm. E. Pollock & Co., Inc., with headquarters in New York, are also principal dealers in Federal agency obligations as well as underwriters and dealers in state, municipal and corporate bonds. In addition to its Beverly Hills branch, the firm maintains offices in San Francisco and Miami, Fla.

Two With Courts

ATLANTA, Ga.—Samuel E. Allen and John E. Daves have been connected with Courts & Co., 11 Marietta St., N.W., members of the New York Stock Exchange.

Only 18 tax-switching days left in 1965

New, Free Booklet recommends 42 tax switch suggestions which may possibly help you: 1) Save on 1963 capital gains taxes 2) Upgrade your portfolio

Some Sell recommendations could help you realize profits using last year's tax loss "carving away" as well as current tax loss candidates. In our opinion, the Bay suggestions may offer either potential capital appreciation, increased current income, or both. For your free copy, mail this coupon, today.

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Tax-Exempt Bond Market

BY DONALD D. MACKEY

There has been enough scattered investor interest in tax-exempt bond offerings during the past week to bring the volume to a level that can be called a market recovery. The daily volume in the past three weeks has been around the $500,000,000 mark, but Monday's run was far above that level, rising to $1,000,000,000. This sharp increase is due to the fact that the market is recovering at a much faster rate than expected. The current activity has brought the yield curve back to normal levels.

Prices Slightly Higher

As the yield curve has begun to return to normal levels, the prices on tax-exempt bonds have increased slightly. The overall trend has been upward, with some exceptions. The increase in prices is due to the fact that the market is recovering from a period of weakness, and investors are becoming more confident in the future of the economy.

Tax-Exempt Yields Attractive

We know that directly relating tax-exempt bond prices to taxable bond prices can be a precarious method of analysis. However, with interest rates at such low levels, the yields on tax-exempt bonds are quite attractive. The yields are higher than those on taxable bonds, which is due to the fact that the tax-exempt bonds are not subject to federal income tax.

MARKET ON REPRESENTATIVE SERIAL ISSUES

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December 4, 1963

Index = 3.125

No apparent available.

Recent Award

This award is the 12th largest of its kind in the history of the market. The award was given to a major investor who has been active in the tax-exempt bond market for many years.

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.

December 3 (Thursday)

Brockton, Mass. 1964-1983 11:30 a.m.
Oyster Bay, N. Y. 1964-1983 11:00 a.m.
Pueblo, Colo. 1965-1984 2:30 p.m.

December 9 (Monday)

Liberty County, Tex. 1964-1983 11:00 a.m.
Madison Local Sch. Dist., Ohio 1965-1983 11:00 a.m.
Manchester, N. Y. 1965-1983 11:30 a.m.
Over View Sch. Dist., Ohio 1964-1984 1:00 p.m.
Wayne Township Sch Dist. N. J. 1965-1984 2:30 p.m.

December 10 (Tuesday)

Adams Co. S. D. No. 14, Colo. 1965-1984 8:00 a.m.
Bethelehem, Pa. 1965-1984 7:30 p.m.
Clarksdale, Miss. 1964-1983 11:00 a.m.
Durham, N. C. 1965-1983 11:30 a.m.
Emery Unified Sch. Dist., Calif. 1964-1984 1:00 p.m.
Garland, Texas 1964-1984 1:30 p.m.
Hamblen, Ozego etc., Cent. Sch. Dist. N. Y. 1965-1984 2:45 p.m.
Inver Grove-Pine Bond Ind. Sch. Dist. 1964-1984 1:00 p.m.
Joplin School Dist. No. 1964-1984 5:00 p.m.
McHenry County Commodity High School Dist. No. 1964-1984 3:30 p.m.
Medina City Sch. Dist., Ohio 1965-1984 1:45 p.m.
Minnesota, State Refunding & School Loans 1965-1984 10:00 a.m.
Northside Ind. S. D., Texas 1964-1984 3:00 p.m.
Oak Lawn, Ill. 1965-1984 8:00 a.m.
San Francisco Transit Auth. Calif. 1964-1984 3:00 p.m.
Tempe, Ariz. 1964-1983 10:00 a.m.
Union Township N. J. 1964-1984 11:00 a.m.
Vernon, Conn. 1964-1984 11:30 a.m.
Waukecha Co., Wis. 1964-1984 1:00 p.m.

December 11 (Wednesday)

Alabama General Hospital, Ala. 1964-1984 10:00 a.m.
Mentor Exempted Village School Dist. 1964-1984 3:00 p.m.
Canning, New Castle, etc., Union Free School Dist. No. 1964-1984 1:00 p.m.

December 12 (Thursday)

Empire Unified Sch. Dist., Calif. 1964-1984 5:00 p.m.
Henrico Co., Va. 1964-1984 4:00 p.m.
Iowa State Regents of (State University of Iowa) 1964-1984 5:00 p.m.
South Carolina St. S. (Columbia) University of Mississippi Housing System, Miss. 1964-1984 10:00 a.m.
University of Southern Miss. 1964-1984 1:00 p.m.

December 14 (Saturday)

Arizona University, Ariz. 1964-1984 11:30 a.m.

December 15 (Sunday)

Fla. State Bd. of Control, Fla. 1964-1984 3:00 p.m.
Santa Ana, Calif. 1964-1984 6:30 p.m.

December 17 (Tuesday)

Farmington, N. Mex. 1964-1984 2:00 p.m.
Jaffray, Ill. 1964-1984 1:30 p.m.
La Puente Union H. S. D. Calif. 1964-1984 9:00 a.m.
Phoenix, Ariz. 1964-1984 10:00 a.m.
Santa Cruz County and Central California Water Dist. Calif. 1964-1984 10:00 a.m.

December 18 (Wednesday)

Covington, Ky. 1964-1984 2:30 p.m.
Muncie, Ind. 1964-1984 3:00 p.m.
Murray State College, Ky. 1964-1984 11:00 a.m.
Richmond, Va. 1964-1984 2:00 p.m.

December 19 (Thursday)

Bridge-water-Raritan S. D., N. J. 1964-1984 8:00 p.m.
Richland-Bean Blossom School Building Corporation, Ind. 1964-1984 3:00 p.m.
Virginia Beach, Va. 1964-1984 11:30 a.m.

December 20 (Friday)

Eastern Washington St. Col., Wash. 1964-1984 2:00 p.m.

January 7 (Tuesday)

Crookston Ind. S. D. No. 593, Minn. 1964-1984 4:00 p.m.

January 8 (Wednesday)

LaFourche Par, La. 1964-1984 10:00 a.m.
New Ulm Ind. S. D. No. 83, Minn. 1964-1984 10:00 a.m.
Walston Absorbing Williston, Beane

Walston & Co., Inc. and J. R. Williston & Beane Incorporated will consolidate their businesses, according to a joint announcement of V. C. Walston and Alpheus C. Beane, President and Chairman, respectively, of the two New York Stock Exchange firms. Most of the officers and personnel of J. R. Williston & Beane Incorporated will become part of the Walston organization with a majority of the stockholders of that firm becoming stockholders of Walston & Co., Inc.

"Final details of the consolidation are still being worked out," the announcement said, "but we have reached a formal agreement in principle, and . . . with approval of the New York Stock Exchange . . . we are pleased to announce that most of the Williston & Beane officers and its key personnel will become a part of Walston & Co., Inc."

"It is contemplated that Mr. Beane will become a voting stockholder and director of Walston & Co., Inc."

"For all practical purposes, the consolidation becomes effective Monday morning, December 2, and the sixteen offices of Williston & Beane will be open for business as usual. The only major, immediate difference is that their 'trades' (buy or sell orders) will be cleared by Walston and confirmations to clients will come from Walston."

Williston & Beane, founded in 1889, has five offices in New York (2 Broadway, 1370 Broadway, 360 Lexington Avenue, all in New York City, Rye and Huntington); three in New Jersey (Asbury Park, Plainfield and New Brunswick); one each in Philadelphia, Chicago and Westport, Connecticut; four in Georgia (Atlanta, Augusta, Macon and Savannah) and one in Sao Paulo, Brazil. The firm has approximately 350 employees including 140 registered representatives.

On Nov. 29, Williston & Beane and Ira Haupt & Co. were suspended from the New York Stock Exchange for failure to meet minimum capital requirements after one of their customers (Allied Trade: Vegetable Oil & Refining Co. of Bayonne, New Jersey) applied for a bankruptcy petition when it was unable to meet margin calls from the two firms.

"Williston & Beane was reinstated two days later, when the additional capital which it had been able to raise was augmented by loans totaling $500,000 from Walston & Co., Inc. and Merrill Lynch, Pierce, Fenner & Smith Inc. "This tremendous gesture on the part of the two of the leading New York Stock Exchange firms was completely spontaneous," Beane reiterated. "Beyond its evident implication . . . notably, our firm's almost immediate reinstatement was a truly inspiring evidence of the Street's faith in our organization, and our continuing ability to protect our customers against any eventualities."

"My associates and I had hoped very much to continue Williston & Beane as an independent firm, Mr. Beane said. "But the practical benefits of consolidating Willstons . . . both for our customers and ourselves . . . outweigh all other considerations, personnel and corporate. We are confident that this move means a broadened, strengthened service base for our customers and a stronger national financial community over-all." Said Mr. Walston: "We are honored that Williston & Beane has moved to consolidate its operations under the Walston banner, and I share Mr. Beane's conviction that both his firm's customers and our industry will benefit as a result. We are confident that the consolidation can be effected with a minimum of inconvenience to all parties concerned and we look forward with genuine anticipation to the future." Walston & Co., Inc. headquarters in New York, San Francisco and Chicago, has over 80 offices stretching from Western Europe to Hawaii. Its last published report (August 30, 1963) revealed assets of $151,000,000 and net worth in excess of $17,500,000.

This advertisement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus. This is published on behalf of only such of the undersigned as are qualified to act as dealers in securities in the respective States.

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Marcus Nadler Warns Banks
On Certificates of Deposit

Leading bank economist counsels banks to look after their liquidity preparations and to cease business expenses including the purchase of risky, short-term interest rate policies, and to use certificate of deposit redemptions rather than renewal of maturing certificates now at a record high level. He comments on several cross-currents in the recent bank activities including the purchase of sizable short-term interest rates in the market, and the need for a tax-cut to permit a more international independent credit policy.

If business activity expands in the months to come, profits, permission to banks carrying certificates of deposit will experience added cash pressure. By Dr. Marcus Nadler, consulting economist, Manufacturers Hanover Trust Co., N. Y., predicted recently.

In a report, "Money Market Trends," released by Manufacturers Hanover, Dr. Nadler warns that if corporate cash flows increase, banks must be prepared to meet C. D. maturities.

Advises Banks to Be Prepared "The mood has not made the necessary liquidity preparations," he said, "many will be compelled to cut their losses. Those who have not offered C. D.'s in any volume should first of all sell. Then they will invest the time deposits profitably before increasing their activity in the field."

Dr. Nadler cites in his timely study the rapid growth of negotiable C. D.'s as one of the most significant developments in the recent money market. "The volume of certificates of deposit has increased sharply during the past two years, until today it exceeds that of open-market commercial paper."

The primary cause of the development of C. D.'s is due to the increase in permissible interest rates on time and savings deposits. The change in Federal Reserve Regulation Q which permitted commercial banks to pay higher interest on time and savings deposits beginning with June, 1961, was largely responsible. Also, the Board of Governors raised the permissible rate of time and savings deposits with a maturity of 90 days to one year. As a result, Dr. Nadler points out, the amount of C. D.'s outstanding rose from about $1 billion at the end of 1961, to approximately $8.5 to $9.0 billion by mid-1963.

"The growth of this credit instrument," Dr. Nadler adds, "has enabled banks to retain the surplus funds of large corporations that otherwise would have sought outlets in short-term government obligations or other short-term credit instruments."

Other factors affecting the American short-term money market, Dr. Nadler says, are financial conditions abroad, the huge U. S. balance of payments deficit, and the large volume of short-term dollar claims owned by foreigners — notably central banks and governments.

"U. S. monetary authorities have been faced with the problem of increasing short-term interest rates without materially reducing the availability of bank credit at a time when the rate of economic growth was inadequate to create employment opportunities for a rising labor force. This aim," he adds, "has been achieved through the coordination of the credit policies of the Reserve authorities with the debt management of the Treasury."

"The long-term capital market," Dr. Nadler stresses, "has been strongly influenced by the sharp increase in the volume of time and savings deposits. More recently it has been affected by the proposed interest equalization tax on foreign borrowing and the sale of foreign securities in America, which was granted by the Treasury, and the greater reliance of corporations on internal resources."

"(2) The U. S. monetary authorities have been faced with the problem of increasing short-term interest rates without materially reducing the availability of bank credit at a time when the rate of economic growth was inadequate to create employment opportunities for a rising labor force. This aim has been achieved through the coordination of the credit policies of the Reserve authorities with the debt management of the Treasury. Because of its retroactive provision, the effect of this proposal is now felt."

"(3) The long-term capital market has been strongly influenced by the sharp increase in the volume of time and savings deposits. More recently it has been affected by the proposed interest equalization tax on foreign borrowing and the sale of foreign securities in America, which was granted by the Treasury, and the greater reliance of corporations on internal resources."

"(4) One of the most significant developments in the recent money market has been the increase in the volume of negotiable certificates of deposit. These credit instruments have enabled commercial banks to retain the time deposits of their customers but also to create new deposits. A large proportion of the surplus funds invested by the customers of Deposit is temporary. If desired, the growth of these instruments can be slowed by equalization of them, but will not be discontinued. An equilibrium is expected to be maintained by the banks in the near future."

"As a result, the banks have been able to follow a more independent international credit policy than at present."

Author's Summary
Dr. Nadler's salient conclusions follow:

(1) There are crosscurrents in the money and capital markets. These are reflected in the narrow spot spreads and short-term and long-term rates of interest. The short-term sector of the market is dominated by the international financial situation, by the deficit in the U. S. balance of payments, and the large volume of short-term dollar claims owned by foreigners. The existence of a broad but uncontrolled Eurocurrency market further complicates the situation.

(2) The U. S. monetary authorities have been faced with the problem of increasing short-term interest rates without materially reducing the availability of bank credit at a time when the rate of economic growth was inadequate to create employment opportunities for a rising labor force. This aim has been achieved through the coordination of the credit policies of the Reserve authorities with the debt management of the Treasury. Because of its retroactive provision, the effect of this proposal is now felt.

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Join Russell Staff
CLEVELAND, Ohio—William A. Williams has become affiliated with J. N. Rosset & Co., Inc., Commerce Building, members of the New York and Midwest Stock Exchanges. He was formerly with Parsons & Co., Inc.

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Where “Bigger and Better” Gov’t Expenditures Lead

By John P. Maggard, Associate Professor of Marketing, Miami University, Oxford, Miss.

Professor Maggard is dismayed by the relentless growth in size and power of the Federal Government, and by the ominous consequences it holds for the political system of the republic. He feels that the Federal Government has become a threat to society as a whole, and to the American way of life in particular. He suggests that the Federal Government is a “government of fear” and that it is time to take steps to limit its power and influence.

1962, the Federal budget has been balanced only four times. Will fiscal 1963 be an exception? On the contrary, the “cake” will likely exceed Eisenhower’s peak deficit this year, or, if not then, in fiscal 1964.

The Federal debt currently exceeds three hundred billion dollars. The 1963 fiscal budget is expected to exceed ninety-nine billion, with a deficit estimated at nine to eleven billion dollars this year. It would appear, therefore, that we are well on the way to “Spending Ourselves into Prosperity,” if we can only trust the calculations of present day economic planners in Washington.

The debtor who is duly concerned with his indebtedness is usually a good risk for further extension of credit. The lender, however, beware of the man who has no concern over the magnitude of his obligations. What is the attitude of our responsible government officials, with respect to the seriousness of the debt situation? One recently commented that the Government looks too much to the almighty Federal Reserve System, but that the public, whether informed or uninformed, has been the silent majority in this matter.

The Federal debt has actually increased at an alarming rate over the past few years. In fiscal 1958, it was only seventy-two billion dollars; in fiscal 1963, it is expected to reach ninety-nine billion dollars. This increase is alarming and frightening, and it is time that we take steps to correct this situation.

The Federal Government spends billions of dollars on various programs, such as education, health care, and welfare. However, these expenditures are not always beneficial for the country. For example, the Federal Government spends large amounts of money on welfare programs, but these programs do not always help those who are in need.

The Federal Government also spends large amounts of money on military spending. However, this spending does not necessarily make the country safer. In fact, the country is often at risk of war and conflict.

It seems clear that the Federal Government is not operating in the best interest of the country. The time has come for us to stand up and fight against the Federal Government and its policies. We need to demand better from our government, and we need to hold it accountable for its actions.
three dollars in 1958; and finally, a total of eight hundred and sixty-eight dollars per American for the past century.

Many variable verbal gestures have been made in support of this concept of growth and cost reduction, but it is very difficult to say whether they are consistent or not.

In the government, there is a tendency to favor "steady growth" than "payroll" intent. This is especially true in the Department of Agriculture, where the voting booths are often crowded.

The June payroll for last year, for example, was more than two and one-half million dollars (an increase of seventy-seven thousand from the previous June). Moreover, the budget for fiscal 1964 calls for an addition of thirty-six thousand dollars to the payroll. The Department of Agriculture, in particular, is behind the curve on this issue. It appears that the payroll is growing faster than the number of employees.

Payroll Data

Administrators and employees point out that the growth in payroll is not at an all-time peak total, but that during World War II, government employment hit a peak of more than one billion dollars per month. However, these officials fail to mention the fact that the peak payroll cost at that time was only about eight billion dollars per month, compared with an estimated annual cost of more than fourteen billion dollars today.

Despite lip-service to the contrary, present efforts to curb the steady growth of payroll are piling up labor force are producing puny results. It is difficult to dispute the wisdom of these measures, but the official statement that "Department does not contain any error which will check the constant tendency to more and more on the public payroll." is true. "Efficient and frugal conduct of business" and "payroll" intent are, in fact, contradictory.

Rising Non-Defense Expenditures

Contrary to public utterances, the government is spending more with much room for reducing expenditures, with little or no public alarm. The key to this is the fact that the government is spending more on non-defense categories.

The 1964 budget increases an extra three hundred and fifty million dollars for housing and community development; four hundred and forty million extra dollars for commerce and transportation, and the extra requests for health, labor and welfare amount to another hundred million dollars, resulting in a grand total (trust funds) of a little over one billion dollars, six hundred million dollars for this category of services, which is the major reason for the present budget increase. Federal expenditures are the highest they have ever been, in excess of one hundred billion dollars. If all federal expenditures are taken into account. Furthermore, it will require a miracle to prevent the fiscal crisis.

Congress and the Recession

Federal budgeting is at best, filled with gimmicks and hard-to-understand bookkeeping practices. It is probably fortunate that the public doesn't really get too worried about it. Two elements seem to cause public alarm: the break in the trend of growing public expenditures. This break is due to the fact that the government is spending less money on non-defense categories.

Those who advocate "bigger and better" government expenditures (neither political party has a monopoly on these) often point to the value of Federal assets as a plus factor. In this manner, the proponents attempt to show that governmental expenditures are actually productive. It is true that governmental expenditures are growing. In fact, much too fast for those who believe in a free-enterprise system to practice. Continued on page 12

This announcement appears as a matter of record.

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F. EBERSTADT & CO.

December 5, 1963.
Where "Bigger and Better" Gov't Expenditures Lead

Continued from page 11
U. S. News and World Report (April 9, 1962) indicated that the Federal Government now owns office space equivalent to one hundred and thirty-three Empire State Buildings, and rents an equivalent of an additional thirty-four. The Government can do a lot of "managing" from this amount of space, but they are opening new buildings almost every day. The same source indicated that Federal employment in 1960-61 increased by seventy thousand and nine hundred employees. By mid-1963, officials figure the Administration would have added another two hundred thousand workers to the Federal payroll. The payroll increased by something like seven hundred million dollars during President Kennedy's first year in office, and supposedly increased by another billion and one hundred million by mid-1963.

Yet, Congress has received no requests for Federal pay increases that would add another billion dollars to present payroll costs during the next two years.

Conclusions

The writer has attempted to highlight certain aspects of the growing costs of Federal Government, and to stress the point that a great deal of Federal expenditures are of questionable value. Readers might well inquire as to what suggestions are forthcoming. The writer of the article is not against the expanse of the writer, the current move toward a reduction of the tax-load is a move in the right direction. Federal taxes should be decreased, and even more of the revenue sources should be returned to states and local governmental units. This is not surprising, however, as long as a mammoth Federal army of civilian employees antagonistic to the idea of the private economy... offer[ing] everything to everyone... while the people are "in the cradle to the grave."

We should take a lesson from the Roman Empire, relative to our philosophy of "bread and circuses." We should take the noblest of our success in helping to create De Gaulle's current attitude, and re-evaluate our efforts toward the "purchase of friends" on a worldwide basis. In fact, the writer contends that it should be neither the function nor the obligation of the Federal Government to guarantee agriculture, support agriculture, finance education, or guarantee both foreign and domestic welfare in the style of today's undertakings. . . . to say nothing of renovating urban centers and financing rapid-transit systems for urban places throughout the land.

We should cattle, and for all, the idea that the size of the Federal debt is of no economic significance, and make an honest effort to reduce this debt at every feasible opportunity. . . . and we should create those opportunities. The present budget could be reduced by 10 per cent in the current year, with no real loss in either vital services or defenses. The writer contends that no single element in the Federal budget could not withstand ten to twenty per cent reduction (many could best be eliminated entirely) and emerge with an even improved performance of the function.

Finally, a last observation... one of the most revealing and beneficial lessons could be learned by both business and government were only possible to suspend withholding-at-the-source in income-collecting for the period of one full year. If each of us had to "cough up" his full Federal tax payments on April 15, there is absolutely no doubt that all Federal expenditures and services would, at that time, receive a very real audit... by all of us.

With First Midwest

MINNEAPOLIS, Minn.—James B. Bernatz is now First Midwest Bank Holdings Co., 4018 West 65th Street. He was formerly with George R. Wright Co., Ogden, Utah.

NYSE Moves in Haupt Liquidation

G. Keith Funston, President of the New York Stock Exchange, has announced that some securities of Ira Haupt & Co. have been transferred under a liquidation plan announced by the Exchange on Monday, Nov. 25. Cash credit balances of over $1,750,000 have been paid to security customers to date, Mr. Funston said in the Exchange's first progress report on the liquidation plan. The Exchange has been working on this and other problems involved in the liquidation.

Under the liquidation plan, the Exchange has agreed to make available initially up to $750,000 in cash to help the security customers of Ira Haupt & Co., and, if necessary, an overall maximum of $12 million. The initial amount has been set aside in an Exchange escrow account from which the sum of $1,750,000 has been paid to securities customers by the liquidation plan. In addition, Mr. Funston said, a number of fully paid securities have been transferred to other broker-dealers.

"The Exchange has been attempting to process the orderly liquidation of Ira Haupt & Co. with the utmost urgency," Mr. Funston said, "but the program has been slowed in part because of problems in connection with transferring securities out of Haupt's name. The Exchange is actively working on this and other problems involved in the liquidation."

With one special committee, the Exchange has agreed to make available initially up to $750,000 in cash to help the security customers of Ira Haupt & Co., and, if necessary, an overall maximum of $12 million. The initial amount has been set aside in an Exchange escrow account from which the sum of $1,750,000 has been paid to securities customers by the liquidation plan.

NYSE Committees Formed to Study Policy Problems

Mr. Funston, President of the New York Stock Exchange, has announced that the Chairman of the Board of Governors, Henry M. Watts, Jr., has appointed a Ira Haupt & Co. and security customers of the firm's capital requirements, when a customer proves unable to meet its commitments in commodity markets.

The "Exposure" Committee was asked to report at least once a year to the Board of Governors for consideration at its February 20 Policy Meeting.

The Exchange Recovery Committee was formed to advise the Board of Governors on the liquidation of Ira Haupt & Co. At that time, the Exchange said a special committee would be appointed to consider ways and means by which the Exchange could recover the losses it suffered in connection with the Haupt matter.

Mr. Funston pointed out that the two new policy-making committees cover differing aspects of the problem created by the Haupt case. The Exchange Committee on Member Firms Commodity Business is to devise preventive measures, the Exchange President said. "Obviously the best way to handle an unfortunate situation is not to let it happen." he noted. As for the task of the Exchange Recovery Committee, Mr. Funston stated: "While the Board took its ultimate action quickly to save the Haupt matter, we recognize the possibility of future occurrences. The possibility of devising a plan to deal with this particular type of situation should never occur again. Under the plan to assist in orderly liquidation of Ira Haupt & Co., which was worked out earlier this week with cooperation of the banks, the Exchange has agreed to furnish an overall maximum of $12 million to security customers of the suspended firm. Seven million five hundred thousand dollars of the $12 million has already been placed in a special account which may be drawn on by the liquidator.

Charles B. Harding, partner of Smith, Barney, & Co., has been named chairman of the new group that will study the exposure of the securities side of a member firm's business to variation in the commodity side. Other partners of the member firms who will serve on Mr. Harding's committee are: Harry B. Anderson of Merrill Lynch, Pierce, Fenner & Smith Inc.; William K. Beckers of Spencer Trask & Co.; Richard M. Crowe of Thomson & Kleinwort; Herman S. Kohlmeier of Kohlmeier & Co.; William Reid of White, Weld & Co.; Cyril J. Lawrence & Sons; and David Weld of White, Weld & Co. J. Lawrence White, head of the New York Stock Exchange, Mr. Loeb will head the committee to study how the Exchange should deal with expenses incurred in the Haupt matter. The additional member firm partners named to this group are: Charles A. Babek of Babek Baird & Co.; John A. Coleman of Adler, Coleman & Co.; Sylvan C. Coleman of E. F. Hutton & Co.

The underridden furnished financial advice and assistance to

J. A. Folger & Company

in the negotiations leading to the exchange of substantially all of its assets for Common Stock of

The Procter & Gamble Company

BLYTH & CO., INC.

December 4, 1963

The Commercial and Financial Chronicle . . . Thursday, December 5, 1963

Tegtmeier Names
Pearson Exec. V.P.

CHICAGO, Ill. — Don C. Pearson has been elected Executive Vice President of Tegtmeier & Co., 39 South La Salle Street.

Mr. Pearson has been a vice-president of the firm for the last five years, he was also associated with W. G. Gibson & Co., securities firm. As a member of firm, successor to a partnership founded in 1934, is a dealer and broker in all over Chicago and New York stock exchanges, and mutual fund shares.
Bank of Montreal Names Execs.

MONTREAL, Canada — A major reorganization at its head office and at five divisional headquarters across Canada has been announced by G. Arnold Hart, President and Chief Executive Officer. In all, 14 of the bank's most senior officers are affected.

Mr. Hart said the broad reorganization of the bank's executive structure was designed to broaden and strengthen services to the public and to keep pace with the growth of Bank of Montreal operations in Canada and abroad. All of the new appointments take effect Jan. 1, 1964.

Heading the list of appointments is R. D. Muilholland, General Manager since 1960 and a Vice-President since 1960. He assumes the title of Chief General Manager, a new title at the Bank of Montreal, and will continue as a Vice-President.

J. Leonard Walker, now Deputy General Manager in charge of the bank's British Columbia division, Vancouver, moves to the head office in Montreal as General Manager.

D. W. Casey, now Assistant General Manager in charge of the Montreal and Saskatchewan divisions, Winnipeg, becomes deputy general manager of the bank. The other changes are at divisional offices.

Prescription for Doing Away With Murder and Vengeance

By Roger W. Babson

Just what is wrong with our society that produces murder and vengeance? Mr. Babson offers a point of departure in his subject the fool tragedy in Dallas, Texas, and plumbs the viciousities and forces in our climate that breed such violence. He singles out closed minds and misunderstanding as the principal causes and suggests how we can achieve more opennessmindedness through spiritual reawakening, as the answer to half-truths, intolerance, and violent judgments.

The appalling explosion of personal hatreds that recently shocked Dallas, the nation, and indeed the whole world has set me—or millions of others as well—to thinking of how we can help change the atmosphere that could produce such a chain-reaction of murder and vengeance. It has been said by some usually sound thinkers that we are all to blame to some extent for the climate that breeds such violence. I agree with this.

But, how do we start to clean the air of this poison? What, exactly, do we do first? It seems to me that the very first step is self-appraisal, an objective and immediate analysis of our social, moral, ethical, and religious attitudes. If we would have the atmosphere of America, healthy, adaptive, and conducive to friendly relations, each one of us must make our personal contribution. Tolerance and understanding must start at home—inside each of us.

“Opinions of our moral lives depend upon our religious faith and convictions, our first consideration must be our church and our relation to it. I have long urged people to make their church their second home, a place exactly as important in the development of themselves and their children as is their family home. Anybody who thinks that church simply as a refuge during times of trial is not truly religious. For many years I have been warned that only through a spiritual rebirth can the pitfalls of our world be avoided. Again I say . . . support your church!

One’s church—regardless of the denomination—is always ready to serve as a guide and a support in times of confusion and strife. Spiritual guidance is training that will rid us of misunderstanding, which is the cause of a great part of our trouble. Misunderstanding, I am convinced, is the worst opponent in this world and it will tend between individuals and between nations. How do we go about reducing—and perhaps eventually eliminating—misunderstanding?

I have felt for a great many years that opennessmindedness is essential for the creation of a world of friendship and peace. Without this, there are bound to be bitter conflicts between family members, political groups, churches and nations. We must think always about how something looks from another’s point of view. We must know the real facts—and all the facts—before we can form an opinion. Since it is usually impossible for us to know the exact facts that dictate another’s attitude, we must remain always tolerant and adaptable. Our minds must be open at all times.

You will find that any man who keeps his mind closed against the viewpoint and opinions of all others turns into a kind of machine, with the little that he does know churning endlessly inside him. He is caught in the trap of his own mind, and he will always believe exactly what he imagines is right or wrong. With such a person, there can be no desire to learn, to uncover the errors that may be coloring his opinions.

When such intolerance and misunderstanding are so great as to extend to large groups of people, even whole nations, we are heading toward Armageddon. In a terrible way, it may be fortunate for us that the Dallas catastrophe came in time for us to reappraise our own selves, our country, and the far nations of the earth. Even the least of us—if he has his mind open—must see that we are bearing a trumpet of warning, a call to do away with half-truths, intolerance, and vicious judgments on the part of others.

Now that we live in One World, made small by instantaneous communications and speed-of-light transportation, it is time—more than ever before in history—for a spiritual awakening. It must begin in each one of us, and gain strength enough to move out into our own hearts—then beyond the Iron Curtain—and re-establish moral values. We have said too little in the past, and we cannot let the tragedy of Dallas give us new spiritual confidence, new moral strength, new quality of action.

150,000 Shares

SHIPPERS DISPATCH, INC.

Common Stock

(Par Value $1.00 per Share)

The issuance of these securities was authorized by the Interstate Commerce Commission, but that Commission does not pass on the merits of the securities from an investment standpoint, does not regulate the sale of the securities by a selling stockholder and has not passed on the accuracy or adequacy of the Prospectus.

Price $7.50 per Share

Copies of the Prospectus may be obtained in any State from the prospectus of the underwritten or may equally if after these securities are in compliance with the securities laws of such State.

Francis I. duPont, A. C. Allyn, Inc.
Walton & Co., Inc.
Dempsey-Tegeler & Co., Inc.
Harrigan & Miller Co.
Harrison & Austin, Inc.
Stiefel, Nicolaus & Company

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Golkin, Bormback Office
PITTSBURGH, Pa.—Golkin, Bormback & Co., Inc. has opened a branch office at Bigelow Square under the management of John J. Bruno. Mr. Bruno was formerly Local Manager for Arnold, Wilkins & Co. and prior thereto conducted his own investment business in Pittsburgh.
The State of TRADE and INDUSTRY

With 1963’s final quarter two-thirds passed, this year is looking as if the Federal Reserve Bank of Boston in the current issue of its New England Federal Memorandum, continued that interest rates went as if the nation’s output of goods and services will rise by 5% or slightly more than 5% from 1962, with about two-thirds of this a gain in real volume. The strong momentum in consumer and business spending seems certain to carry into early 1964, when unpredictable seasonal forces, the comparative strength in automobile and steel, and many other factors will determine the pattern.

Consumers are apparently optimistic about their future income prospects. According to the mid-October Census survey plans, plans to buy new cars, appliances, and houses on balance a highly favorable condition for the July and a year earlier, and are suggestive of another year of high volume and growth.

The monetary authorities increased stock margin requirements as if a tightening gesture, but as a warning on speculation. As added safety for the controlling action, it seems unlikely that there will soon be any move toward firmer conditions on the other hand. If domestic business strength after the holidays should remain intact, it is not likely that the authorities will be willing followers of such a trend. Although inflation-checking policies are at least the conditions might force the hand of the central bank, this does not seem imminent.

Conflicting Pressures

The conflicting pressures in the economy in the fourth quarter — as we operate in new high ground in employment, production, income, and trade — are so strong that further gains may be only gradually won unless some new influences appear. The economic situation has been without the realization of a government tax reduction, now to change in the future. This program certainly is not in terms of its potential benefits — to spur both domestic and investment, to reduce unemployment, to shrink the balance of payments deficit, perhaps to bring about lower prices, and eventually to help balance the budget. Because the expectation of a lower tax bill has been built into so many plans, both personal and business, however, failure to eventually see some reduction may well have unpleasant repercussions. But, timewise, Congress and the nation are in a position to appraise the prospective deficit for fiscal 1964 and the spending programs of the fiscal 1965 budget before final commitment to the massive revenue reduction involved in the pending tax measure.

One basic sector of the economy that augurs well for the future of the tool and industry. It strengthened resurgence takes in all phases of the industry.

Big Jump in Machine Tool Orders

October showed a 21% increase in orders of metal cutting type machine tools, and a 45% increase in new orders for metal forming tools. According to the National Machine Tool Builders’ Assn., the increase was over a broad range of equipment, and was not confined to any particular types of equipment nor to any particular user industries.

In metal cutting tools, the Machine Tool Builders’ reports for October showed 195, 150, 212% were above the 565, 550, 41% above the 48,300,000 total for October, 1962. Domestic orders for October were 17% above the 45,400,000 for September, and 27% higher than the 41,900,000 total for October, 1962. Foreign orders of $14,650,000 were 33% better than the $11,150,000 of September, and 127% better than the $6,400,000 total of October, 1962.

For the ten month period, Jan. 1 through Oct. 31, 1963, orders totaled $778,700,000, 22% higher than the $658,400,000 booked during the same period of 1962. Orders for the 10 month period also showed improvement. They too, were 22% higher than the $622,300,000 total for the 10 month period.

Machine tool orders in October were higher in total than in September, despite a 3.3% reduction in the number of orders booked during the month. The October total of $31,800,000 was 42% higher than the $22,550,000 of September, and 165,300,000 total for October, 1962.

Domestic orders were up 68% from the $17,600,000 of September and 106% from the $8,950,000 of October, 1962. Foreign orders during September declined to $2,300,000 a 53% decrease from the $4,850,000 total for September but an 18% increase over the $1,300,000 total for the 10 month period.

For the 10 month period from Jan. 1 through Oct. 31, 1963, net bookings, 41% above the $26,500,000 of September, and a 100,300,000 total for October, 1962. Domestic orders for October were 23% less than the 31,800,000 total for October, 1963.

The general high level of business activity plus the awareness of the need for modernization of production equipment has resulted in new orders $9,300,000 of metal forming tools somewhat above the expectations of the industry. In September, 1963, 21,000, 1962, anticipated an order volume that would roughly double the 10 month total, but finally, based on the totals for 10 months, 1963 will be closer to the 1962 level and will not be better than another year since 1956.

In concluding its latest survey, the 'Tool Builders’ Assn., noted that, while dollar volume of new orders has been on the upturn during the last year, there has not been a commensurate increase in the number of units ordered. The present level of new orders is a factor in this regard. For example, dollar totals in- clude the value of Numerical Controls on some of the items of equipment, and the reported orders only a portion of as much as 50% of the total price of the equipment.

Deposits of the Proprietors may be obtained from any of the undersigned or other dealers at these prices and in the proposed colors, except that in the case of signatures, in which the price may be locally different.

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65,000 Shares

Price $3.73 per Share

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Common Stock

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This announcement is neither an offer to sell nor a solicitation of an offer to buy these shares. The offering is made only to Proprietors.

December 4, 1963

Pierce, Walmsley, Murphy, Inc.
T. Nelson O’Rourke, Inc.
Hensberry & O’Donnell Corp.
Consolidated Securities Corp.
Hensberry & Co.
Roman & Johnson
Aetna Securities Corporation

The Commercial and Financial Chronicle ... December 5, 1963

Steel Output 8.3% Ahead of Last Year’s Average for First 15 Weeks, Leaving Year’s Cumulative Output 11.5% Above 1961

According to data compiled by the American Iron and Steel Institute, production for the week ended Nov. 30 was 2,000,000 tons (*107.4%) as against 1,975,000 tons (*107.1%) in the year-ago period. It marked the sixth week in a row that production reached a new weekly high. In the 23rd week of 1962, production was 41% above the 1,429,900 tons in 1957 as it now has pushed the year’s output above the 100 million ton mark.

The important news about the steady, non-seasonal performance during the year thus far is that the industry is expected to date exceed all of last year’s. In the Jan.-Nov. 1963 period, 1962, the total was 1,600,000 tons whereas in all of 1962 it came to 8,657,785,000 tons. In the 24th week of 1962, 7,142,000 tons occurred in the week ended Aug. 17 and the high of 2,683,000 tons in the week ended May 25, which was unequalled in the past two years (103.1%) in the Nov.-Dec. ending week.

Last week’s output was 7.4 percentage points above the 103.5- 59 base period’s average weekly output and was approximately 14% larger than the year’s lowest output (100.7%) in the 30th week. The latest statement week’s output was 6.6% above the 1,876,000 tons produced in the 1962 week.

Cumulative Total Levels Off

Summary of cumulative total output of Ingots and castings since Jan. 1, 1960, with 1962, 1,876,000 tons (+112.9%) which is 11.1% above 1,733,770,000 tons (+110.9%) which was recorded in the year-ago period. The latest week’s index for the cumu- lative total output of Ingots and Castings was 47 with a high for the year of 49 which was set 18 weeks earlier, Dec. 1, 1963, (+113.7% (101.9)=50) compared to the index of 139.0 in the prior year. Since the Jan. 1 date marked the first decline, though barely one level at 11.2% above last year’s corre- sponding periods in the previous two weeks commencing with the year-end Nov. 9.

For the 47 weeks of 1962, the index of 81.7 (+111.2%) above 112.9% (97.9) compared to the index of 139.0 in the prior year. Since the Jan. 1 date marked the first decline, though barely one level at 11.2% above last year’s corre- sponding periods in the previous two weeks commencing with the year-end Nov. 9.

The Index of Ingot Production for the Week Ending Nov. 9, 203, as against 199,024,000 tons (+108.3%) which was recorded in the year-ago period. The latest week’s index for the cumu- lative total output of Ingots and Castings was 47 with a high for the year of 49 which was set 18 weeks earlier, Dec. 1, 1963, (+113.7% (101.9)=50) compared to the index of 139.0 in the prior year. Since the Jan. 1 date marked the first decline, though barely one level at 11.2% above last year’s corre- sponding periods in the previous two weeks commencing with the year-end Nov. 9.

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How Dallas Tragedy Affected Exchanges

By Paul Einsig

Dr. Einsig in the past has criticized many of the late President John F. Kennedy's policies—as he has many other governments. Quiz accurately or in depth later, President Kennedy's and his great statesmanship qualities, he pays a long overdue tribute to one aspect of his achievements. In referring to the tragic, fatal assassination in Dallas, he notes the investigations of the foreign exchange market—which had not, he credits President Kennedy for forging a team and the international cooperation that the world’s central banks—adequate enough to meet the test of such a crisis as that caused by President Kennedy’s untimely death.

LONDON, England.—The shock of President Kennedy’s assassination and—the war over the gold—may have resulted in a financial crisis of first-rate magnitude. This reason? It had not happened was that, thanks to the defensive measures elaborated, under the Administration, the financial authorities were pre pared, for the first time in history, for the ultimate purpose of the destructive forces out of control.

Contrast With Wall Street

The striking similarity between the behavior of Wall Street on the one hand and the behavior of the foreign exchange markets on the other indicates the extent to which the United States administration general is indebted to the late President for his wisdom and foresight. But for it, in the wake of the carefully planned official intervention, the foreign exchange markets and the gold market would have witnessed an orgy of panic dealing similar to the one that had occurred on Wall Street. And while it was possible to arrest the panic in Wall Street by controlling the market, major dealing, the United States authorities would not have been in a position to close down foreign exchange markets and gold markets all over the world.

It had not been for the immediate intervention of the Federal Reserve authorities on Black Friday and for the coordinated inter vention of the British and continental monetary authorities on Saturday morning, the initial selling pressure on the dollar, which naturally developed as soon as the news of the disaster became known, would have assumed the character of a landslide. Likewise, speculative and hoarding demand for gold would have assumed gigantic proportions. Had the monetary authorities in the United States and abroad wasted time and lengthened the period of its effect, we might have failed to turn around the situation, we have now been used to official American operations in foreign exchange, which occurred, if and on during the last 2½ years, that policy is now taken for granted.

What Could Have Happened

In the absence of skillful official intervention a gigantic flight from the dollar would have developed in a matter of minutes. In the United States reserves would have taken place until the reining of the European foreign exchange market, from which by time the monetary authorities of the Western European countries and the United States had pressure of a considerable magnitude. Some of them, at any rate, had been hesitated to assume responsibility for other dollar purchases without assurance of dollar guarantee. Or they might have insisted on being placed in their country and that large sums of dollars dumped on them. The resulting sharp decline of the American gold reserve would have gravely accentuated the panic.

Likewise in the London gold market on Sunday morning the demand for gold would have assumed gigantic proportions. The experience of the "gold rush" of 1960, when the London price of gold rose to $420, or 368 percent above the Gold Standard parity, should be remembered. The resulting sharp decline of the American gold reserve would have gravely accentuated the panic.

It was under the Kennedy Administration, and largely as a result of the initiative taken by that Administration, that a series of arrangements were concluded between the American monetary authorities and a number of Western European Treasuries and Central Banks. These arrangements provided channels through which large amounts of gold could be repatriated at a moment's notice. An article appearing in The August 15, 1963, issue of the Federal Reserve Bank Monthly Review, written by Mr. C. A. Walker, gives the following detail: A number of foreign exchange options, jointly with his Swiss, Italian and German colleagues, states that these arrangements "are capable of being flexibly adapted to new and unforeseen needs on the basis of telephone calls; or, in case of necessity, of using speculative pressures before they gain momentum." And these arrangements are a possible course which, if adopted and to new and unforeseen needs, on the basis of telephone calls or, in case of necessity, of using speculative pressures before they gain momentum. And these arrangements, in the event of the dollar was threatened with collapse, were coordinated on Saturday morning during the hours while the New York market was closed. The channels for such intervention were there, the technique elaborated in advance and the facilities required for intervention were in readiness.

President Kennedy's Well Known Interest in Economics

It is, of course, impossible for the American people to express an opinion about the extent to which President Kennedy, himself, had been responsible for the adoption of the new foreign exchange policy, and for the establishment of an unprecedented degree of cooperation with other monetary authorities. Credit is due to Mr. Robert Roos, of the U. S. Treasury, and to the Executive authorities of the Federal Reserve System for elaborating the new policies and for putting it into practice so that it was in readiness when needed. But President Kennedy's interest in economic questions was a matter of general knowledge and it seems certain that policies of such importance were submitted for his preliminary approval. It stands to reason that his approval would not have been forthcoming if he had not grasped the importance of the defenses of the dollar by such means.

Some on a number of occasions he was criticized for mistakes made by his Administration even though, in many cases, those mistakes had been elaborated at a lower level, it is only fair that he should be given his full share in the credit for the highly successful policy which averted a disastrous financial crisis in November, 1963. Fate will it that the reactions to his tragic death should provide the first major test by which to prove the immense value of his policies.

Johnston Joins Jones

PUEBLO, Colo.—Clayton Jones has become associated with Edward J. Jones & Co., in the building. Mr. Johnston was formerly an officer of Peters, Walker & Co., Inc., as the president of the firm.

Walker Opens Boston Branch

BOSTON, Mass.—The investment banking firm of G. H. Walker & Co., announces the opening of an office at 10 Post Office Square.
Our Masquerading Currency

By Walter E. Spahr, Professor Emeritus, New York University, Executive Vice-President, Economics' National Committee on Monetary Policy

One of the country's leading monetary economists subjects our present currency to a thorough examination of quality. He finds that it does not meet the standards of a sound currency and that in masquerading as a currency, it is not only not a currency, but a currency that tends to masquerade in a currency.

Irredeemable currency is masquerading as a currency, and we see that the people, the government, and the nation are being misled by its appearance. It is masquerading as a currency, and it is a currency in name only.

Our irredeemable currency is masquerading as a currency that tends to masquerade in a currency. It is masquerading as a currency that tends to masquerade in a currency. It is masquerading as a currency that tends to masquerade in a currency.

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branching out importantly in the newer fields with the impossible and little-known names, such as ura-fermaldehyde foam, polyurethane foam plastics, and others. It assures Allied's ability to keep up with the chemical field and share in the gains from the newer products now that some of the industry's pricing troubles seem at least temporarily at an end.

The viruses expressed in this article do not necessarily at any time coincide with the "Chronicle." They are presented as those of the author only.

**Tennessee Gas Transmission Co. Securities Sold**

Two investment banking groups have announced the public offering of two issues of Tennessee Gas Transmission Co., as follows: $35,000,000 of first mortgage pipeline bonds, 4½% series due Dec. 1, 1983, by a group headed by Stone & Webster Securities Corp., White, Weld & Co., and Halsey, Stuart & Co., Inc.; 150,000 shares of 5.04% cumulative preferred stock (par $100) by a group headed by Stone & Webster Securities Corp., and White, Weld & Co.

The bonds are priced at 100.50% and accrued interest to yield about 4.835% to maturity. They are required to be retired through the operation of a sinking fund beginning in 1964 at prices ranging from 100.50% to the principal amount. The sinking fund is calculated to retire 93% of the issue prior to maturity. The bonds may be retired optionally at prices ranging from 103.38% to the principal amount, except that they may not be retired at the option of the company prior to Dec. 1, 1965 through the use of borrowed funds costing less than 4.835%.

The new cumulative preferred stock is being offered at $100 and accrued dividends. It will be redeemable at $105 per share if redeemed prior to Oct. 1, 1966, and thereafter at prices decreasing to $100 per share if redeemed on or after Oct. 1, 1978.

Proceeds from the sale of the cumulative preferred stock and from the sale of $35,000,000 first mortgage pipe line bonds, will be used in part to retire the short-term notes outstanding under the company's revolving credit agreement and the remainder will be added to the general funds of the company. The proceeds from such short-term notes were used by the company and subsidiaries for the payment of the natural gas, pipeline systems and for the domestic and foreign oil development, exploration drilling, acquisition and marketing activities of the company and its subsidiaries.

The company and its two pipeline subsidiaries own and operate natural gas transmission facilities and sell, or act as agent for, natural gas for, gas distribution companies under long-term contracts. These distribution companies are located principally in the Eastern and Midwestern sections of the United States.

Tenneco Corp., a subsidiary, is engaged through subsidiaries in domestic and foreign production, refining and marketing of petroleum, petroleum products and petro-chemicals, and in certain other non-utility activities.

**Machine Tool Industry Problems Subject of Study**

Continued prosperity beckons the Michigan machine tool industry, if it bolsters efforts in two key areas, a University of Michigan, Detroit, study shows.

The $120 million a year industry must strengthen its marketing techniques and draw more deeply on scientific research if it is to adequately meet expected tougher competition from both U.S. and foreign sources.

These were the main findings of the U-M study of 38 of the state's 88 machine tool companies and of other U.S. and foreign tool firms and research units. (The study covered 13 U.S. and 26 foreign firms, and 21 U.S. universities and 15 foreign research units).

Firms boost profits and stabilize sales and earnings when they do more research and development, the study found.

The two-year study was made by the U-M Institute of Science and Technology's Industrial Development Division, which seeks ways to enhance growth of Michigan industries through better use of science and technology.

**New Sutro Office**

SAN JOSE, Calif. — On Nov. 26, 1963, Sutro & Co., moved its San Jose location to its new 3,000 square foot office in the Community Bank Building at Market and St. John Streets in San Jose. Harvey D. White, San Jose resident partner, said the new office will be completely outfitted with new communications equipment, furnishings and office partitioning.

The new Sutro office is almost a third larger than its offices previously at 55 North First Street where the company located in San Jose 10 years ago. It has been represented in the community for 38 years.

The latest type of electronic stock price quotation equipment, including a newly developed high speed ticker and the Ultronic Stockmaster quote machine, has been installed in the new office.

Sutro & Co. is the oldest brokerage firm in the West. It was founded in San Francisco in 1858 and now has eight offices of which seven are in California and the other is in New York City. The firm is a member of the New York, American, and Pacific Coast Stock Exchanges.

**With Capital Secs.**

COLUMBUS, Ohio—Raymond O. Hart has joined the staff of Capital Securities Co., 44 East Broad Street.

"P-Please, Mister, how do I get out of these woods?"
MUTUAL FUNDS
BY JOSEPH C. POTTER

High-Powered Portfolio

Every longtime investor who has journeyed along this fund must have come upon a fast-growing region in the West or South and become intrigued by the bright business opportunities. As an example, utility companies, which he knew only by name until they were passed through the area served, must have seemed especially attractive investment vehicles.

Returning home from what Madison Avenue calls "Marblov County," he probably plunged into a study of the companies that interested him only to find that others discovered the region a long time ago. The outsiders of investment companies, of course, came upon the scene early and by the time the touring investor arrived, the price-earnings multiple was too rich for his taste.

This is a familiar story to folks in the mutual-fund field. But it was brought into sharp focus last month by a survey of the Investment Company Institute, which showed that public utilities continue to be a "ranking favorite" of the diverse portfolios of these funds. Utility securities held by its fund members are valued at nearly $3.8 billion. This company with less than $3.2 billion in 1961 and $1.2 billion in 1954 (the year the Institute began its industry studies).

The latest study, covering the securities in the utilities held by 146 open-end companies, was based on holdings as stated in the latest financial reports of these funds. Right now, the figure probably is more like $4 billion than the $3.4 billion stated in the study, because American Telephone & Telegraph, far the most heavily of all utilities, has been acting a skycraper. The study calculated that fund holdings of Telephone bonds, preferred and common stocks toved up to $1.2 billion. Electric utility holdings have been giving a good account of themselves. Thus, about 16% of the $25 bil- lion of fund assets is represented by stocks and bonds of utilities.

Phila¬

The Funds Report

Bulllock Fund Ltd., reports total July net income amounted to $7,285,174, against $9,662,961 on July 31. Net asset value per share was reduced from $20.73 to $20.72 on July 31 and $24.27 on July 31 and $11.31 a year earlier.

During the latest three-month period the company made new investments in Aluminum Ltd., American Iron, Boeing, Lockheed, U.S. Vitamin & Pharma- ceutical and Utilities.

Canadian Fund lists assets of $32,506,458 on Oct. 31, compared with $41,706,968 at Sept. 30 as the per share was $17.34, compared with $21.16 a share on July 31 and $15.78 a year earlier.

Energy Fund announces that as the close of the fiscal year on Sept. 30 net assets amounted to $1,260,012, or $21.65 a share, against $23,836,755 of assets and $17.64 a share at the end of the prior year.

Guardian Mutual Fund reports that as the end of the fiscal year on Oct. 31 net assets were $21,425,077, equal to $22.90 a share, against $14,845,096 of assets and $18.16 per share a year earlier.

Keystone Discount Bond Fund Series B-4 reports that as at the close of the fiscal year on Sept. 30 net assets were $71,819,657, or $10.15 a share, against $8.88 a share a year earlier.

Keystone High-Grade Common Stock Fund reports that at the end of the fiscal year on Sept. 30 net assets were $35,496,795, equal to $19.91 a share, against $27,012,083 with $11.81 a year earlier.

Keystone International Fund reports that at Sept. 30 net assets amounted to $10,204,298, equal to $14.91 a share, compared with $13.88 a share six months earlier and $12.76 a year earlier.

Phil. Secs. Group Luncheon Meeting

PHILADELPHIA, Pa.—Charles W. Anderson, President of Ametek, was the speaker at the September luncheon meeting of The Phila- delphia Securities Association on Thursday, Dec. 12, at the Barclay Hotel, Philadelphia.

Rubin Hardy of The First Bos- ton Corporation, is in charge of arrangements.

Some years ago a friend of mine asked me if his time is not propitious for his customer to invest. No one, of course, knows exactly the right time to buy or sell, but any ex- perience salesman knows that there are definite time periods which should be sterilized and buying or selling is a business. His father and several of his associates are in business with him. He started to explain his client and he had running ball market behind him. After a period of training that was only about six months dura- tion, he began to do so much business that his father very proudly told me one day, "That boy of mine sure is making money, he's right up among the top producers of his firm already."

I congratulated him and said I was glad to hear it. Then I asked, "How do you know this?"

He replied, "They have sales contests and every month his firm publish a list of the leaders. Now my son is second in production."

I again explained that I was pleased and that was that.

Another Chapter

Another six months passed and we ran into a sharp slump in the market, the boy was soon called in to dry up, and some time later I met his father again. This time there was a difference. He asked, "Can you offer any unsolicited informa- tion about your boy's business af- ter I got you to read his report?

You should have seen how he beamed. He looked at his father and said, "Let it out. "I lost a fortune with that bid. But that's not the worst of it. My brother-in-law and several of my best friends are so in deep with a load of second class securities that they have lost money or not we will even realize half of our original investment."

Then he went on to explain, "I would have charge his son's employee. He never admitted that he probably was only too glad to have been given such unsolicited advising, the enthusiastic recommenda- tions, and he completely forgave his father because he was when he told me a few months prior to this meeting that his son had won the acalodes of his sales manager for his large production of commissions even though he was a beginner in the business.

Of course, I was disappointed to know that he was not the enthusiastic and am- bitious producer of commissions that he had told me he would have been if he were able to invest his business and hurt a lot of people in the process. At least, I said a lot myself that he did not bring him into my firm. . . . we might have had a tough job hold- ing him in line.

Sales Incentives Should Not Be Used in the Investment Business

There are several reasons why I do not believe it is proper for an investment firm to increase or decrease the method of compensation by sending out monthly letters to salesmen, or weekly pep talks or special incentives to investment through prestige trips, publicity in the firm, or any other incentive plan of kind. My reasoning is as fol- lows:

(1) Proper timing is an essential to

SECURITY SALESMAN'S CORNER
BY JOHN DUTTON

The Right Way To Build Sales Volume

No salesman should try to build a business because they were just top flight salesmen. Selling know-how helps, that's true, but it is sec- ondary to experience, know-how about investing, and helping your clients build a business. Either you believe it or not, this is a fact. Recommendations from satisfied customers will build an invest- ment business. Anybody, even if you have a wart on your nose, and wear pink shirts and purple ties and suggest that people are looking for, plus a per- sonal interest in their welfare. The way your investments are your business in the same light as a dedi- cated family doctor will produce business year in and year out and he doesn't care one whit whether the sales force is large or small. Ever. In fact, the less he hears about the better he likes it.

Shippers Dispatch

Common Offered

Francis L. DaVost, A. C. Allen, Inc., New York's manager of an underwriting group, has an- nounced the public offering of 150,000 common shares of Shippers Dispatch, Inc. at $7.50 per share. The shares are being sold by selling stockholders, and none of the proceeds will accrue to the company.

Shippers Dispatch, which has its headquarters in South Bend, Ind., is a motor carrier by motor vehicle in the area between Chicago, III., Fort Wayne, Ind., and Detroit, Mich., Akron, Bryan, Cleveland and Toledo, Ohio. The company is wholly owned by 1115 stockholders, serving 2,284 customers in 470 communities. It operates termi- nals in 45 cities and 875 pieces of rolling equipment and has approxi- mately 514 employees.

Westamerica Branch

LAS CRUCES, N. Mex. — West-america Securities, Inc. has opened a branch office at 745 West Bow- }
As We See It

Illustrations could be multiplied more or less indefinitely, but one of these self-created situations and unfortunate proposals for its cure have of late been called to the attention of the public by the Investment Bankers Association of America. We have here a matter that deserves the special attention of the public at this time, the more so since the remedy now demanded by Washington is one that may well not attract wide popular notice or be generally understood. We refer to the proposed Interest Equalization Tax of 1963. The Federal Reserve has given this description of the proposal: "A temporary tax on foreign securities (except those of economically less developed countries) purchased from foreigners before their default.

For new foreign bond issues by industrialized countries, the tax would have the effect of increasing the interest cost by about one percent for the first five years. For new bond issues by industrialized countries, the tax would have the effect of increasing the interest cost by about one percent for the first five years. For new bond issues by industrialized countries, the tax would have the effect of increasing the interest cost by about one percent for the first five years.

The proposed bill provides that the President may make a limited or general exemption for new security issues of any foreign country or application of the tax would imperil international monetary stability.

The purpose of the legislation is, of course, to redress or help to redress our balance of payments. Difficulties in this area somehow appear now to have been charged against the sale of foreign currencies and stocks in our market, or at least some of the more recent adversities have been so charged in official circles. It would be difficult to find a more striking or a better example of a situation growing out of our maladroitness efforts to manage international affairs in disregard, if not in defiance, of the natural forces that, normally, play this area and which for decades, centuries, have helped the factors in this field in order and in the service of mankind.

Of course, two world wars played havoc with the international financial mechanism and its functioning. The inevitable changes that were wrought are far too numerous to be listed here. The point is that instead of trying to learn to respond to natural forces as had world financial leaders for a century or more we set out in a new direction to remake or replace the mechanism and then, under the influence of Keynes, to make it accomplish ends that could not in the nature of the case be reached by manipulation of money and credit.

Embarrassed With Riches

After World War II we were, of course, embarrassed with riches. We had most of the monetary gold in our vaults and possessed the one country liquidated by all—and in very considerable degree the goods and services wanted by all. Our generosity was unprecedented. Whether this was noise or not matters little. The fact is that though as first one country and then another recovered and rebuilt, with monumental help from us, our relative position in the world inevitably changed—partly merely by the developments in other countries. But we had become accustomed to the idea that we could buy support for our ideas about liberty, democracy and all the rest. In a very substantial measure we still are ashamed of our own expenditures in the field of defense which it may well be for the best to see at an end—since the power which we have been taking our "liquidity" away from us—and not inclined to be quite so quaintly used as before.

As is now so usual, we are determined to meet this state of affairs arising out of disregard of natural forces by further defiance of those same natural forces. We are determined not to permit all this open handedness abroad to affect our own lives and our economy and our currency and our character. We are determined to meet this state of affairs arising out of disregard of natural forces by further defiance of those same natural forces. We are determined not to permit all this open handedness abroad to affect our own lives and our economy and our currency and our character.

For example, a train on the liquid resources of a nation would be met with higher interest rates than any other short-term rate you mention. But, the New Dealers and their successors, that would mean that our industries would not be stimulated to borrow more money and invest more extensively. It would mean that there would follow a rather general tightening of belts and a red cut in our exports that constitutes the natural defenses in such circumstances. The situation, they reasoned, must be corrected by the application of an interest rate that did the biting. In the money market short-term rates must be kept high enough to attract foreign capital while the long-term rates must be kept low to stimulate business here at home. But these long-term rates soon attracted the attention of foreign borrowers who then added their influence to that caused by extensive grants and the direct foreign investments of American corporations. One result all too often overlooked, is the accumulation of short-term liabilities over against long-term assets.

Tangled Web of Futility

Into the breach the Administration stepped with the encouragement of foreign borrowings, or at least upon such foreign borrowings as the President in his wisdom thinks should be taxed. This has presented one difficulty or at least those not wanted by the political powers that be, will, so it is believed, lose interest in our securities markets and thus bring an end to the drain they are now placing upon our balance of payments. Against any such scheme there are a number of objections.

An Investment Bankers Association committee has listed the more important of these which we have been pleased to print in our issue of November 28. They need not be repeated here. What we need to do in general is cease from weaving this tangled web of futility.

Security Title & Guaranty Co.
Rights Offering To Stockholders

Security Title & Guaranty Co. is offering from time to time to its stock the right to subscribe for 125,000 additional common shares at $28.25 per share on the basis of one new share for each share held of record Nov. 29.

The offering, which is being underwritten by New York Hanseatic Corp. will expire Dec. 16, 1963.

Net proceeds from the sale will be added to the general corporate funds of the company.

Security Title was organized under New York law in 1928 and is engaged in the business of examining and insuring titles to real property, principally in the states of New York, New Jersey and Connecticut. The company has a revenue policy issued by the company insures title to real property against all defects and encumbrances other than as stated in the policy. The company's main office is at East 54th Street, New York City, and it maintains branch offices in Brooklyn, Jamaica, Mineola, Bivona, White Plains, Stamford and Newark.

Hertz, Neumark To Admit

Hertz, Neumark & Warner, 2 Broadway, New York City, members of the New York Stock Exchange, will admit Julius D. Winer to general partnership on Dec. 12, and Matty Warsaw to limited partnership as of Dec. 5.

Hertz, Neumark & Warner

At home, says the Wall Street Journal, "the capital market is being invited to replace its losing propositions with the promise of a new one, with both the Federal Reserve Board and the Treasury Department backing the venture. It is hoped that the demand for money and credit grows it would not be unexpected if the monetary authorities were to make important stock market purchases of Government securities in order to prevent the money and capital markets from tightening. So that the short-term interest rates will not be influenced one way or the other, and the equilibrium of the rates between here and other free world money centers is not thrown out of balance, important open market operations may take place in intermediate and long-term Government obligations. In this way reserve could be provided to the banks without disturbing the money market.

Purchases of other than near-term issues for open market operations should have a not unfavorable effect on the money market: the middle-term and long-term Government bonds. It seems unlikely that the capital market is thinking along those lines now, since there has been a somewhat better tone in the market for long-term interest bearing obligations, aside from the new issues that are over-taken in the market when they come into the market.

Customers Buyers

To Discuss Disability Plan

The Association of Customers' Brokers has been investigating the feasibility of instituting a Disability Plan for its membership. The plan will be submitted to the membership for consideration at the business meeting to be held Dec. 11.

Audit Ray, Howard, Harris, Upham & Co., is chairman of the insurance committee.

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Why Unemployment and Poverty Despite GNP Rise?

By William S. Baren, Coast Goldies, Florida

To an extent greater than most recent economic outlook statements indicate, the real boom has not been favorable as depicted if adjusted for price level increases, population bulge, and the offset of postwar push-consumer buying. Convincing though this may be in real terms, and that the panaceas advocated to cure unemployment are worse than the cure, Mr. Baren calls for action as to the economic policies we have pursued in the last 17 years.

The Government issues a report called "Measures of Real Product" which gives the total amount of goods and services produced in our economy. This figure is now at an all-time high, but a closer look may reveal the real reason why the nation is so much unem- ployment and relationship to the real economic well among the cities and the nation today.

People unfortunately confuse real wealth with money wealth. One thinks dollars are wealth but they are not wealth at all, only a measure of real wealth and provide a convenient medium for exchange. The only real wealth is the total of all the goods and services produced in an economy. You can prove this easily—if you double the number of dollars in circulation, what will happen? The production of goods and services remains the same as today, prices would go up. If the purchasing power of our dollars would be cut in half; but THE SUPPLY OF GOODS AND SERVICES WE NEED TO LIVE WOULD BE THE SAME. There would be no in-
crease in REAL WEALTH.

Another mistake people unfortunately make is that they are prone to confuse economic conditions in a whole country, by their own experience of a better way. They see their condition and the conditions that exist within the limits of their own state or city or country and understand... which never reveals the entire picture of conditions which affect all the people in a country as large as this. If you are observant you may know that there are five million people looking for jobs and can't find them today, even with an extra million men taken out of the work force by the armed services. You may wonder why it is that most millions of American families are living on a bare existence income of less than $500 a month. You may sometimes ask why it is that millions more owe over $42 billion in installment debts which they can't pay off every month, and why we as a nation have piled up a total debt of $420 billion. The Government debt of over $700 bil-
lion, that future generations must pay for, is greater than the total depreciated currency. You may have asked yourself...are we really so prosperous... is this a real prosperity...or is there something wrong somewhere? Could it be that this is not a real prosperity but a false, inflationary, pseudo prosperity?

The Great Misrepresentation

You may be surprised to find the following brief common sense analysis of the ACTUAL WEALTH we are producing as a scientific attempt in economic facts, figures and theories. But it is not complicated by the semantics of confused economics. The facts are taken from official government sources. The conclusions, I think, are not oversimplified but are based upon a careful analysis of the facts which follows in natural sequence without distortion or apportionment—head cold. Their—likewise my conclusion... and make up your own mind.

In the figures reported by the press and other sources as to the "Gross National Product" are NOT the same as the national income. For the DECREASED PURCHASING POWER OF THE DOLLAR, the following are the facts. (see any current figures) appear to reflect the increase in the total value reported in the GNP in former years. The 1962 "Report of the President on the State of the Nation" page 171, Table C-1, gives the following figures:

**Gross National Product**

**Year 1945...$213.6 billion**

**Year 1962...$526.6 billion**

If you look at the same report and turn to page 172 (the one reporting about this) you will find that the increase gives you the GNP figured in dollar totals that are ADJUSTED TO SHRINKAGE OF THE 1962 DOLLAR.

**Gross National Product**

**Year 1945...$377.5 billion**

**Year 1962...$526.6 billion**

The increase in total GNP, on this adjusted basis is only $711 billion whereas on the unadjusted basis it looks like the increase was $440 billion. But this is still not the true picture as I see it. There were only 148 million people in this country in 1945 and in 1962 the population had grown to 180 million, thus the labor force like-
wise increased between these two years. More people should be produced more real wealth in any free, normal productive so-
ciety. But more people working means more people producing... if they are working in an organization that has yet to organize at all, the same unorganized population in these years, and here is THE TRUE PICTURE:

- Each American's Share of the Gross National Product
  - 1945...$2,658 per capita
  - 1962...$4,282 per capita

On a per capita basis there has been a total growth of 60% in 17 years. This is AVERAGE GROWTH RATE OF LESS THAN 610/ of ONE PERCENT PER YEAR. I have used 1945 as a base because this is the year we started this analysis, because that is the year we were just coming out of World War II and postwar pump demand came into play and our economy was stimulated. The Kovaleski committee also included in these years were also economic stimulus years. Despite this unusually favorable economic climate, this is the result of the true picture of the economic activity.

If this is a true picture, and I believe it is, then you wonder why we are still unorganized and still unemployed and there is still so much poverty and CHRONIC UNEMPLOYMENT in the history of this country it is that those who advocate that the gov-
ernment should establish more huge public works programs, cre-
ate bigger deficits, more inflation, cheaper dollars and greater debt for our children and grandchil-
dren to pay do not have the an-
swer to what a healthy economic growth improves? This is what they have been giving us for 17 years. It is not a real solution adopted an irresponsible, fisc-
paper dollar, and a bureaucratic system of government and creating more rules and impediments to private citizens in the econ-
y. If this is the best they can do... give us a 610/ of the CAPITATION RATE OF GNP PER YEAR FOR THE PAST 17 YEARS... AND THEN ASK US TO WANT MORE OF THE LION KINGS OF POISON?

**NOTE**—All facts and statistical information used in this article and figures secured from official government reports of U.S. Treasury Department, Report of The President (1962); Dept. of Commerce (1962); and A.L.D syndicated article dated No-

vember 6, 1963. The government data which are not my reports by Constitutional Dave Fascell.

Emlee H. Bartow, Jr., Robert A. Garber, Gunther Gender, Glenn Eisenberg, and George E. Woodworth have been promoted to Assistant Treasurers of the Chase Manhattan Bank, New York.

On Dec. 9, the Rockville Centre Office of Chemical Bank New York Trust Company, New York, moved across the street from its present address to 10 North Village Avenue. The move to a larger structure has been erected on the same site which the bank, first occupied 12 years ago. It features the latest banking equipment, including excellent safe deposit facilities, drive-in and a walk-up teller's window, and ample parking accommodation. It has a single meeting room which will be available for community gatherings.

The appointment of Thomas W. Schaefer, has com-
bined functional design with an environment of appraisal and beauty. Mr. Oscar Cast is Chairman of the board of Rockville Centre Advisory Board.

In addition to Mr. Cast, the officers of the bank are:

The Chemical New York is staffed with the following officers: Vice-Presidents, Paul J. Kohlman, Vice-Presidents, John E. Schafer, Assistant Vice-Presidents, Robert L. Deleu, As-

sistant Vice President and Clay M. Coxburg, and Assist-

Assistant Treasurer Anna M. Ferrera.

The appointment of three new members to the West Side Ad-

visory Board of the National Bank of Hanover Trust Company, New York, was announced. They are Joseph B. Hoy, Max Thai and Julian Lazarus.

The Lafayette National Bank, Brooklyn, N.Y. elected Charles W. Dearborn a Senior Vice-Presi-

The Genesse Valley Union Trust Company, Rochester, N.Y., has closed its offices and opened the same doors Dec. 2 under its old name.

The Bayview Savings Trust Company, Rochester, has announced the closing of its offices, and the purchase of the building which housed the bank.


The Comptroller of the Currency on Dec. 2 announced preliminary approval of an application to organize a new National Bank in New Jersey At Sparta, with the title, People National Bank of Sparta, with an initial capitalization of $200,000.

The Capital Bank of Rochester.

The Central-Penn National Bank, State College, Pa., has elected Harold E. and Mary L. Johnson, Raymond C. Kuehn and R. Laird Sonnemere Vice-Presidents.

The Western Pennsylvania National Bank, Pittsburgh, Pa., named Chief Administrative Of-

ficer, Victor H. Schaefer, who was promoted to Administrative Vice-President, Elbert Frank will join the board as Executive Vice-President.

Liam H. Dougherty, Jr., was named Vice-President, Finance and Administration.

Mr. Frank was formerly Senior Vice-President and a Director of the Republic National Bank of Canton, Ohio.

The Comptroller of the Currency on Nov. 22 ap-

proved the appointment of Mr. Paul J. Kohlman, to the National Bank of Virginia, in Richmond, with the title, First National Bank of Highland Springs, with an initial capitalization of $300,000.

Herbert M. K. Enns, Assistant Vice-President, Harris Trust and Savings Bank, Chicago, Ill., recently celebrated his 40th an-

iversary with the bank. Mr. K. Enns joined the bank in 1921 and has been a money market specialist since 1931.

The Comptroller of the Currency on Dec. 2 announced preliminary approval of an application to organize a new National Bank in Michigan At Walker, with the title, National Bank of Rochester, with an initial capitalization of $200,000.

The Comptroller announced on Dec. 29 the approval of the con-

version of Plainview State Bank, Plainview, N.Y., into a National Bank. The bank will be operated by its present management under the title Plainview National Bank.

The capital structure for the converted bank is $365,000.

John H. Hendree, Jr., was elected a Vice-President of the First Wis-

consin National Bank, Milwaukee, Wisconsin.

William H. Greenfield, Com-

sider for the Southern Hills National Bank, determined upon his recommendation, Comptroller of the Currency James S. Jackson, with the title, the Southern Hills National Bank on Dec. 2, on a reorganized basis.

The Comptroller directed the Conservator to return the bank to its original directors for the management of its affairs and to and the assumption of its liabilities by the new bank. The old bank will be merged in the conservator-
ship by Mr. Saxon on Nov. 8.

The bank will be operated under the title, Southern Hills Na-

tional Bank of Toluca at the same location, Slst and South Harvard streets, an application for charter granted by the Comptroller of the Currency to an entirely new corporation, the Southern Hills National Bank.

The new bank will be capitalized at $1,000,000.

The Comptroller and the directors and shareholders of the new bank are: Lynn R. Helm,
CROCKETT-CITIZENS NATIONAL BANK, San Francisco, Calif.

The promotion of Roy D. Harty to Vice-President of the First National Bank of Beverly Hills Office, has been announced. J. L. M. Fowler has also been appointed advertising Director of Security First National Bank, Los Angeles.

Stansley A. Beck, has also joined security First National Bank's head office.

Newton F. Wheeler, Vice-President of First National Bank's planning and coordination division, head office group, is the bank's 50th anniversary with the bank this month.

His entire business career has been associated with banking, having joined the Farmers & Merchants National Bank in 1926. (The F&M Bank merged with Security in 1966).

The promotion of Guy F. Beyer's, San Diego Trust & Savings Bank's President, to Assistant Trust Officer and Assistant Secretary, has been announced.

Top management changes at The Robert E. Coley, James, Jr. National Bank of North Carolina, have been announced. The retirement on Dec. 1, of the Vice-President, Chairman of the Board and Chief Executive Officer, on reaching his 65th birthday. Advancing to the Chairmanship will be Vice-Chairman Edwin W. Adams, while Charles de Bretteville, President, will continue to serve in that capacity.

McAllister will continue to be President of the bank. As a Director and member of the Executive Board, he joined the bank in 1928, was appointed Assistant Cashier in 1927, Manager of the International Department in 1938, Vice-President in 1940, President in 1950 and Chairman of the Board since 1964. McAllister has served as a Director of the bank since 1949.

The Security First National Bank, Los Angeles, Calif., announced the reorganization of its national division of the bank's national and metropolitan banking departments.

The division has been divided into five major service regions, and will be headed by Robert J. Sevitz, Vice-President, who has been transferred to the Peak, Vice-President, who will have the principal administrative responsibility.

Paul W. Waterman, Jr., Vice-President, has been named Assistant to the Bank's executive administration, and John J. Balati, Jr., the line officers are:

- Western—J. F. Holland, Vice-President.
- Northeast—James M. Rudolph, Vice-President.
- South Central—Dane J. Pitts, Vice-President.
- Southeast—J. Arthur Myers, Assistant Vice-President.
- Northwest—James S. Barret, Assistant Vice-President.

The Comptroller of the Currency James S. Saxon on Nov. 29, announced preliminary approval of applications to organize new National Banks as follows:

California—At Livermore, with the title, Livemore National Bank, with an initial capitalization of $1,250,000.

At Arcata, with the title, Humboldt National Bank, with an initial capitalization of $1,000,000.

The Union Bank, Los Angeles, Calif., elected Eugene T. Bover, Harry S. Wetherill, and George E. Morrow Vice-Presidents.

The San Fernando Valley Bank, Van Nuys, Calif., promoted Joseph P. Rebeck to Executive Vice-President.

Comptroller of the Currency James S. Saxon, Nov. 27, announced preliminary approval of applications to organize new National Banks as follows:

California—At San Mateo, with the title, San Mateo National Bank of San Mateo, with an initial capitalization of $2,600,000, and at Berkeley, with the title, National Bank of Berkeley, with an initial capitalization of $1,500,000.

The First National Bank of Oregon, Portland, Ore., elected Lyman E. Seeley Senior Vice-President, and Andrew H. Halsed, Jr., Executive Vice-President, who will retire next year.

The election of three new directors to the Board of the Bank of Montreal, Canada, at its 146th annual meeting held in Toronto, is the election of Leonard Hynes, Arthur K. H. Lundgren, and H. J. S. Pearson, as Directors.

Vacancies on the Bank of Montreal board were created by the death of David G. McConnell and by the retirements of R. P. Powell and Colman the Hon. Sir Leonard Oudenside, C.B.E., D.S.O., C.D., on reaching the statutory retirement age of 70 years. Mr. Leonard Oudenside, who had served as Directors since 1952 and 1961 respectively.

Carhart Heads
Fund Drive Group

H. Whitfield Carhart, a partner in the firm of Carhart & Jacques, has been named as chairman of the Hospital Trustees Division of the 1965 United Fund capital campaign. The division's goal is $3,000,000, with proceeds from the campaign to be distributed to the Fund's 70 nonprofit, voluntary hospitals and other benevolent patient care plans. Last year's $650,000 in contributions were used in wards, equipment, and the research division.

Mr. Carhart is a trustee and a Vice-President of The Roosevelt Memorial Hospital, a member of the Board of Education for the New York Society for the Prevention of Cruelty to Children and a trustee of the Boys Club of New York.

Dempsey-Tegeler Adds
COLUMBUS, Ohio — John E. Dempsey-Tegeler has been elected to the Board of Directors of Dempsey-Tegeler & Co., Inc. 29 North High Street.

Acquires Bklyn. Office

BROOKLYN, N.Y. — The New York Stock Exchange firm of Eisele & King, Libaire, Stout & Co., has acquired the office of Ira A. Haupt & Co., at 1,615 Pitkin Ave. The present managers of the office, George Cornelia and William N. Sylvia Kern, will continue.

Haupt & Co. is in the process of liquidation and with the transfer of the office to the new owners will go certain accounts as they are tendered by the Haupt firm upon authorization of the customers.

Eisele & King, Libaire, Stout & Co., established in 1868, maintains its head office at 50 Broadway, New York, and has two branch offices in Manhattan, one in Flushing, two in Connecticut and seven in New Jersey.

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BANK STOCKS

BANK STOCK PRICES AND YIELDS

In view of the recent rise in the stock market one would expect bank stocks to show similar appreciations. The reverse has been true, as is shown in the table, current bank stock prices and bank stock prices of a few weeks ago. The most noticeable change is in the first group, where one bank stock has declined 25%.

The public expects bank stock to be at a premium, and the public often buy bank stock at the premium price, only to be disappointed when the bank stock price declines. Some of the larger bank stocks have declined 25%, which is a decline of over $2,500,000,000.

The greater stability of price has occurred among the smaller banks located away from the principal money centers, and it is to be expected that the increasing investor awareness of these banks and the expectation of better than average long-term growth for these banks.

Recent financial writers have commented extensively on the subject of reserves and the suggestion that they should be included with capital funds. The tabulation below has adjusted year-end 1962 book values to allow for reserves. Also, corresponding preliminary book values are shown, whereas New York City banks often sell at twice book value. These adjusted figures obviously show less of a premium.

It seems obvious that with an increasing acceptance of reserves added to book values and also the decline in bank stock prices, that bank stocks are likely to reach lower levels.

In addition, the recent publication of capital notes or provisions for mortgage bonds by commercial banks has eliminated the chance that the banks could use the ultimate sale of old bank stock before the year-end 1962 prices figures. Therefore, premiums are less than indicated below. Analysts continue to anticipate little change in total capital policy by these banks, and therefore interest rates should trend upward over the next several months.

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The National Business Outlook for 1964

This intensified competition among institutions seeking sav-
ings deposits will enable through higher returns and borrowers through lower costs, and has been emphasized in the recent hearings. However, at some time in the near future, the competition for savings may be gradual, with a tendency for the overall stock of funds to be somewhat lower than in recent years. The trend is likely to be in the direction of higher rates on savings deposits and in the amount of funds that are saved.

The combination of high rates and a greater willingness of savers to hold money has led to a substantial increase in the amount of savings available to businesses. This has provided a significant source of funds for business expansion and investment, and has contributed to the general upswing in business activity. As a result, the demand for savings deposits has continued to increase, and the overall level of savings has reached new highs.

As the economy continues to grow, it will not take long for demand to catch up with supply. The availability of savings funds is likely to remain high, and businesses will continue to benefit from the increased availability of funds for investment and expansion.

In conclusion, the outlook for the national business outlook is generally positive. The economy is expected to continue to grow at a steady pace, and businesses will be able to rely on a substantial and growing supply of savings funds for their growth and expansion. The prospects for the national business outlook are bright, and businesses are likely to experience a prosperous future.
returns to attract more savers in order to grow even faster. In the face of steady demand for short-term credit and generally low long-term interest rates, these pressures have been growing. As we have seen, the steady liberalization of credit terms, the promotion of new and more liberal business lending, and the mortgage area, in a rising trend of delinquencies and foreclosures. The situation now is that it has caused concern in Washington about state regulatory authorities, and pressure has been exerted by many of the institutions involved.

Advises S. L. Asanov.

In passing, I might point out that there are five excellent ones here in the Northwest—are in a far better position to withstand competitive pressure on their earnings and protective reserve positions than are other departmental institutions. In part, this reflects the breadth, flexibility, and power of savings banks, as compared with savings and loan associations, which are largely restricted to home mortgage. Operating under diversified powers, savings banks are free to shift funds readily among competing investment outlets in accordance with the changing demand patterns. The continuing replacement of assets acquired in earlier high yield periods with higher-yield assets currently available, and the lower current operating efficiency of savings banks compared with savings and loan associations and other long-term loan sources of competitive strength.

Consumer Consumption.

Let us now look at the largest single and most significant influence on the country—consumption for 64% of national output currently. The University of Michi-
gan's recent survey of consumer attitudes indicates a steady increase in consumer confidence and willingness to spend is high and likely to continue for the next six to nine months. The survey particularly noted that plans to buy autobuses and house furnishings are well above the levels maintained at recent high levels. It should be noted that only 25% of those interviewed would buy a car or an auto. The increase in consumer optimism and confidence, and willingness to spend, is a promising sign for the economy and suggests that earnings and profits are likely to improve.

Even without the additional stimulus of tax reduction, however, the 1964 consumer demand could be expected to have a big influence on the economy. The 1964 consumer demand could be expected to have a big influence on the economy.

The major questions facing the economy over the next six to nine months will be the growth of retail sales and the impact of consumer spending on the economy. The retail sales data will provide an important guide to the strength of consumer demand and to the overall state of the economy.

The general level of consumer demand is expected to remain strong in 1964, with a slight increase in 1965. This is due to a combination of factors including an increase in disposable income, a decrease in saving, and an increase in credit availability. These factors are expected to contribute to a robust consumer spending outlook over the next six to nine months.

The Federal Reserve Board and other economic indicators suggest that the overall level of consumer demand is expected to remain strong in 1964, with a slight increase in 1965. This is due to a combination of factors including an increase in disposable income, a decrease in saving, and an increase in credit availability. These factors are expected to contribute to a robust consumer spending outlook over the next six to nine months.

The retail sales data will provide an important guide to the strength of consumer demand and to the overall state of the economy. The data will be closely watched as a key indicator of economic activity and will provide insights into consumer confidence and spending patterns.

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The National Business Outlook for 1964

Continued from page 23

third quarter. Moreover, the proposed international financial agreements, which were charac-
terized by the Federal Reserve Bank of St. Louis and the
Federal Reserve Bank of New York, have not yet been
implemented, and it is not clear how they will affect the
outlook for 1965. The international financial situation
remains a critical issue, and it is important to continue
monitoring the developments in this area.

The forecast for 1965 is based on the assumption
that inflation will not be a major problem. The Federal
Reserve has already indicated its intentions to keep
interest rates low, and it is expected that this policy
will continue. However, there is a risk that inflation
could increase if there are unexpected developments in
the international economy.

The outlook for the United States is also uncertain,
and it is important to continue monitoring the
developments in this area. The Federal Reserve has
already indicated its intentions to keep interest rates
low, and it is expected that this policy will continue.
However, there is a risk that inflation could increase
if there are unexpected developments in the
international economy.

In conclusion, the outlook for 1965 is uncertain,
and it is important to continue monitoring the
developments in this area. The Federal Reserve has
already indicated its intentions to keep interest rates
low, and it is expected that this policy will continue.
However, there is a risk that inflation could increase
if there are unexpected developments in the
international economy.

Proposal to Professionalize Registered Representatives

In the current economic climate, it is essential
that the registered representatives operate in a
professional manner. The proposal to professionalize
registered representatives is a step in the right
direction, and it is expected that this will improve
the overall quality of service provided by these
professionals.

The proposal to professionalize registered
representatives is based on several key principles:

1. The registered representatives should operate
in a professional manner, and they should be
accountable for their actions.

2. The registered representatives should be
subject to appropriate regulations and
licensing requirements.

3. The registered representatives should have
adequate training and education.

4. The registered representatives should be
subject to regular inspections and audits.

5. The registered representatives should be
subject to disciplinary action for violations of
the regulations.

By professionalizing the registered representatives,
the overall quality of service provided by these
professionals will improve, and investors will be
better protected.

The proposal to professionalize registered
representatives is a step in the right direction, and it is
expected that this will improve the overall quality of
service provided by these professionals.

In conclusion, the proposal to professionalize
registered representatives is a step in the right
direction, and it is expected that this will improve
the overall quality of service provided by these
professionals.
Recent Chicago Symposium on "Financial Public Relations"

Panel of Experts at Recent Seminar of the Publicity Club of Chicago, Ambassador Hotel. Panelists, from left to right, are: H. Cohen, Director of Special Study of the Securities Markets for the SEC, and partner of the law firm of Dallastrom, Schill, Marcin, Waite & Dorochek, Chicago; L. Lindsay, Smith, Chairman of Investor Opinion Research Institute; William N. Clark, Financial Editor, Chicago Tribune; and Charles Schwartz, Vice-President, Dempsey-Tegeler & Co., Inc., Chicago.

The years are rewarded mainly on a commission basis. In the life insurance field a person may sell his products and obtain a license and provided he meets the standards imposed by his firm. But there is also a professional degree, Chartered Life Underwriter, which, in the opinion of many, is a respected designation throughout the country; it stands for dependability and assurance that recommendations will be made in the client's best interest and not solely for the sake of the profit. The Chartered Life Underwriter is an individual who, in addition to the general life insurance knowledge, has a good background in the field of law, a knowledge of taxation and, in general, a good understanding of the bigger picture. He is expected to have a good background in the field of life insurance, to be able to advise clients on the best way to invest their money, and to be able to answer questions on various aspects of the business.

The company has total life insurance in force of $700,000,000, of which ordinary life insurance accounted for 30% and industrial life insurance 70%.

Number of policies in force at one time was 1,000,000 and number of agents, of which 857 were ordinary life and 24,473 were industrial life.

The number of employees was 550. The number of new agents was 150,000. The average age of an agent was 35. The average length of service was 10 years.

The company was the largest life insurance company in the country, and the number of policies in force was the largest in the country. The company was the largest life insurance company in the world, and the number of policies in force was the largest in the world.

Life Insurance Co. of Florida
Common Offered

Public offering of 165,000 common shares of Life Insurance Co. of Florida, the share of which is being made by Pierce, Wulbern, Murphy, Inc., Jacksonville, Fla., elected Stanley M. Stahl on the share being sold in New York state.

No portion of the net proceeds to be derived from this sale has been allocated for any particular purpose. It is expected that the proceeds will be invested in income-producing securities and eventually will enable the company to expand its ordinary life insurance business through the expansion of its sales force and the opening of new offices.

Headquartered in Miami, the company is presently engaged predominantly in the business of writing marine and non-marine accident and health insurance. It issues a wide variety of life policies, including full life, endowment contracts, limited pay, and income policies. No participating policies are issued. The company also is engaged in the issue of marine policies and ordinary life insurance in a limited way and after completion of this offering it is expected to expand the marine life insurance line.

The company has total life insurance in force of $700,000,000, of which ordinary life insurance accounted for 30% and industrial life insurance 70%.

Nicholas Molodovsky has been elected a Vice-President of White, Weld & Co. Incorporated, 20 Broad Street, New York City.

Gentry V.-P. of Eppler, Guerin

DALLAS, Tex.—David T. Gentry has been elected a Vice-President of Eppler, Guerin & Turner, Inc., Fidelity Union Tow'r, members of the New York Stock Exchange.

Rowe V.-P. of Walton & Co.

Walton & Co., Inc., 74 Wall St., New York City, members of the New York Stock Exchange, have elected Philip S. Biafia as a Vice-President of the firm.
STATE of TRADE and INDUSTRY

Continued from page 14
period immediately ahead, Steel's latest inventory survey indicates.

Seventy-five per cent of respondents reported an increase in stocks over the three months, vs. 62 per cent expected a decline, a 6 per cent rise.

Buyers are increasingly favoring the intermediate 30 to 60 day delivery period as the sense of the 10 to 30 day position.

Late Orders Lift Steel Production

An upturn in steel orders is reported for the December period, according to Iron Age magazine.

In response, predictions for the month, the fourth quarter, and the year are rune.

Steel production for the year is sure to pass 194 million tons. On the strength of the strength of the fourth quarter, estimates for the year are now in the neighborhood of 195,000,-

Iron Age said that on the strength of the improved rate of new orders, steelmakers now look for a very strong first quarter of next year. With steel inventory liquidating in 1962, with consumption continuing at a near-record rate, a strong first quarter is expected.

Although the hard core of the strong demand continues to come from the post-war American demand is spreading into other fields.

For example, some heavy equipment manufacturers have moved tonnages originally scheduled for January into December. In addition to automotive, strong demand is recorded for steel used in the manufacture of appliances, farm equipment, earthmoving equipment, and rail cars.

In Detroit, steel sales offices are reporting that the 1963 volume for January will be second only to 1955 and well over 1962, which was not far behind all time in this automotive center.

In isolated instances, some mills have reported second best for the month on short periods that would run up to 100 per cent of capacity.

This is by no means representative of the overall strength of the market, but it indicates that steel users are now in the market at nearly full strength of component suppliers. The period was expected in the closing days of November, and the late order rush came as a surprise.

There are still some year-end dislocations coming that will prevent a full year-on-year report of shipments. But the advance orders now in the market indicate that a better month than November, and January will be up from December.

The total tonnage of steel still held in inventories is not particularly large. This is the result that with the economy holding its own, the steel consumers are not likely to cut back on their stocks further.

Top November Auto Month Seen

Auto output in November will be second best for the month on record, Ward's Automotive Reports said.

Estimating that 743,500 units will be counted for the month, the statistical agency said this was the second highest total in November of last year. Only a month ago, the November 1962 total will rank above Novem-

ber volume this year.

Ward's production figures show that the industry did attain its highest daily production pace in the fourth quarter, striking at all different assembly plants, of which there remained substantially 203,000 units assembled ap-

proximated the all-time weekly high of 194,406, which was set only four weeks ago.

The industry called a three-

week 'Christmas' holiday over the week ended Nov. 23, the ninth consecutive holiday period in the current 1963 production week, the week of December 6.

Satur

ation by the December holiday, the Motor Vehicles Bureau of the Department of Commerce, which announced that 229,456,000

daily Orders...
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:

### American Iron and Steel Institute:

<table>
<thead>
<tr>
<th>Latest Week</th>
<th>Previous Week</th>
<th>Month Ago</th>
<th>Year Ago</th>
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<tbody>
<tr>
<td>2,000,000</td>
<td>1,950,000</td>
<td>1,944,000</td>
<td>1,916,000</td>
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</tbody>
</table>

### American Sugar Refiners Institute:

- **Grade A**
  - Grade A: 1,100,000
- **Grade B**
  - Grade B: 800,000

### Coal (U.S. Bureau of Mines):

- **Coal**
  - Total: 9,075,000
  - Export: 5,905,000
  - Total sales: 1,725,000
  - Customers': 1,622,000

### Fertilizers (Commercial and Industrial) - DUN & STREET:

- **Nitrogen**
  - Total: 25,000
  - Nitrogen: 24,000
- **Phosphates**
  - Total: 50,500
  - Phosphates: 49,500

### Mail: Carriers' and Express:

- **Total**
  - Mail: 1,670,000

### Registered Mail:

- **Total**
  - Registered: 1,725,000

### Lumber:

- **Total**
  - Lumber: 1,725,000

### Shipping Lines:

- **Total**
  - Lines: 1,725,000

### Cash Disbursements:

- **Total**
  - Cash: 1,618,000

### Capital Expenditures:

- **Total**
  - Capital: 1,618,000

### Life Insurance Policies:

- **Total**
  - Policies: 1,618,000

### National Accounts:

- **Total**
  - Accounts: 1,618,000

### United States Exports and Imports:

- **Total**
  - Exports: 1,618,000
  - Imports: 1,618,000

### Mails (K & H J Quotations):

- **Total**
  - Mails: 1,618,000

### U.S. Department of Agriculture:

- **Total**
  - Agriculture: 1,618,000
Aerodynamics Technology Corp.

Airway Hotels, Inc.

Allan Electric & Equipment Co., Inc. (12-9-83)

Ameral Mining Co.
July 15, 1983 filed 400,000 common shares. Price $0.05. Business—The company is engaged in exploration, development, construction, exploration and general corporate expenses. Address—190 Ridgeland Ave., New York, N. Y. Underwriter—E. A. Manning, Ltd., Toronto. Underwriter—None.

American Realty Trust
Oct. 11, 1983 filed 1,500,000 shares of beneficial interest being offered for subscription by stockholders on the basis of one new share for each two shares held. Oct. 27, 1983 filed 15,000 shares and 5-year warrants to purchase an additional 80,000 shares, to be offered for subscription by stockholders on the basis of one share and one warrant for each share of common stock. Price—By amendment. Business—Real estate investment trust. Proceeds—For investment in real estate development and for the concentration of capital. Address—215 Calle de la Salle, St. Louis, Mo. Underwriter—Stibel, Nicolaus & Co., Inc., St. Louis.

Ampal-American Hotels, Inc.

Brewer (C. & Co., Ltd. (12-6)

Bryna International Corp.

Canaveral Hills Enterprises, Inc.
May 10, 1983 filed 100,000 common. Price—$5. Business—Company was formed to own and operate a country club and golf course, swimming pool and cabanas club, beach club, restaurant and guest rooms in Hollywood, Florida and Puerto Rico, and distribution of molasses in the continental United States. Proceeds—For debt repayment, production, development, working capital and other corporate purposes. Office—P. O. Box 133, Aurora, Ohio. Underwriter—None.

Central Telephone Co., Inc.
Oct. 11, 1983 filed 38,564 common to be offered for subscription by stockholders on the basis of one new share for each three held. Price—$23.50. Business—Company plans to offer management services and advises clients as to equipment. Proceeds—For general corporate purposes. Office—1063 S. Ocean Blvd., Pompano Beach, Florida. Underwriter—None.

Central Telephone Co., Inc.
Oct. 11, 1983 filed 38,564 common to be offered for subscription by stockholders on the basis of one new share for each three held. Price—$23.50. Business—Company plans to offer management services and advises clients as to equipment. Proceeds—For general corporate purposes. Office—1063 S. Ocean Blvd., Pompano Beach, Florida. Underwriter—None.

Charvos-Carsen Corp.

Chemair Corp.

Colorado Imperial Mining Co.

Common Market Fund, Inc.

Community Health Associations, Inc.
Nov. 15, 1983 filed 100,000 shares, which 100,000 are to be offered by company and 50,000 by Harry E. Olgby. Proceeds—For civic development, investment and surgical insurance contracts. Proceeds—For invest¬ment in existing and other corporate purposes. Office—4000 Aurora Ave, Seattle, Wash. Underwriter—None.

Connecticut Western Mutual Fund, Inc.

Consolidated Edison Co. of New York, Inc. (12-15)
Nov. 19, 1983 filed $75,000,000 of first and refunding mortgage bonds due Dec. 1, 1993. Proceeds—To repay existing bonds and, in the discretion of the company, to acquire additional plant, real estate, equipment, and to pay costs of organization. Office—14b Broadway, New York, N. Y. Underwriter—None.

Consolidated Foods Corp.

Consumers Cooperative Association

Continental Water Co. (1-6-83)

FIRM TRADING MARKETS
in over-the-counter securities

INDICATES ADDITIONS
SINCE PREVIOUS ISSUE
ITEMS REVISED

Direct Wire
P. H. HENDRICKSON, 34 MURPHEY, 620 OAK, Los Angeles
WOODCOCK, MOYER, FRICK & FRENCH, INC., Philadelphia

San Diego County, Calif. Securities Dealers Association
39 Broadway, New York, N. Y.
Tel. 42370
TEL. 212-577-2020


Federal Reserve Bank of St. Louis
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basis of 3 units for each 5% prior preferred share held, one unit for each 5% preferred A stock held and 40 units for each 1% prior preferred share held, interest in subordinated debentures held. At the same time, the company will recommend the redemption of the issue. Price—To subscribers, $30; 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. Offer—193,000 Units. Y. Underwriter—None.  

Domian Helicopters, Inc.  
April 19, 1962 filed 418,680 common to be offered for subscription for the benefit of the holders of the two new shares for each three held. Price—By amendment (max., $1.25). Business—Development of construction of experimental helicopters. Proceeds—To obtain certification of models, train service personnel, repa
dy debt, etc. A.R. Sur, Chicago, Ill. Underwriter—None. Note—The SEC has issued a stop order suspending the registration statement.  

Dyanwop Systems Laboratory.  
tina Ave, Los Angeles. Underwriter—None.  

Eagle's Nest Mountain Estates, Inc.  

Eberstadt & Company Fund, Inc.  

Electronic Dispenoser Corp.  

* Elite Theatrical Productions Ltd. (12-16-20)  

Eastern Funding Corp. of America  
March 29, 1962 filed 240,000 common. Price—By amendment (max., $1.63). Business—A holding company for firms selling life insurance. Proceeds—For new sales offices, advances to subsidiaries and working capital. Offer—$150 Wilshire Blvd, Los Angeles. Underwriter—To be named. Note—This registration will be withdrawn and then refiled.  

Farmbest Inc.  
Nov. 18, 1963 filed 9,853 common; also $240,000 of re

Fedco Corp.  

First Western Real Estate Investment Trust  

First Mortgage Investors, Inc.  
Nov. 20, 1963 filed $10,000,000 of senior debentures and $5,000,000 of convertible debentures both due in 1978, to be offered in units of two $100 senior debentures and one $100 convertible debenture. Price—$300 per unit. Business—A real estate investment trust. Proceeds—To repay bank loans. Offer—30 Federal St., Boston. Underwriter—Shearson, Hammill & Co., New York.  

Florida Jai Alai Inc.  

Food Technology Labs., Inc.  

* Garan, Inc. (12-9-13)  
Sept. 5, 1963 filed 60,000 common, of which 100,000 shares will be sold for the company and 40,000 for cer

Gates Uranium Co.  

Gordon (L.) Realty Corp.  
Sept. 27, 1963 filed $212,746 of 7% subordinated convertible debentures due 1974 to be offered for subscrip
tion to holders of 20 units for each $100 common shares held. Price—By amendment (max. $10). Business—Manu

* Great Southwest Corp. (12-10)  

Greater Miami Industrial Park, Inc.  
Feb. 25, 1963 filed 106,004 common to be offered for subscription by stockholders on the basis of one share for each 43. Price—$3. Business—Acquisi
tion and development of real estate. Proceeds—for selling stockholders. Address—One Pont Plaza Man
er Center, Miami, Fla. Underwriter—None.  

Greater Nebraska Property Co.  

* GTC Corp.  
Nov. 4, 1963 filed $7,000,000 of convertible subordinated debentures due Dec. 3, 1983 and also $2,500,000 of 5% corporate debentures due 1985. Price—$50 per unit. Business—Construction of missile launching bases and related fac
cilities for the Armed Forces, and complex facilities of various types for other government agencies, private in

* Hobam, Inc.  
rr. Concluded from page 29


Israel Amerified Fund, Inc. (April 1963) filed about 200,000 shares. Price—Net asset value plus 8 1/2%. Business—A new mutual fund which will seek to benefit from growth of American-Israel economic relations, and a capital appreciation in securities throughout the Free World. Proceeds—For investment. Address—900 Research Park Dr., Boulder, Colo. Underwriter—Investor-Diversified Services, Inc. (same address).


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J

(same address). Offering—In early January. Note—This registration has become effective.

Nordon Corp. Ltd.

Vin 1963 filed 10,000 common shares. Price $50. Business—Company plans to engage in the writing of general liability insurance, including automobile, property damage and personal injury. Proceeds—To increase capital and prepare for a public listing.

Northern PACs.


Northern Trust Co.

Oct. 3 1963 filed 100,000 common shares. Proceeds—For investment, Office—2 Maple Ave., Keene, N.H.

Underwriter—None.

Peoples Insurance.

Oct. 3 1963 filed 100,000 common shares. Price—$0. Business—Company plans to operate as a broker-dealer.

Proceeds—To increase capital and prepare for a public listing.

Offering—In November. Office—50 West 42nd St., New York, N.Y.

Underwriter—None.

Planning Research Corp.

1 (20-24-64)

Nov. 6 1963 filed 100,000 common shares. Price—By amendment, $25.00. Business—Research and development, technical and economic services to commercial, industrial and governmental organizations. Proceeds—To increase capital, purchase equipment, and pay off debt. Proceeds—Office—320 Larchmont Blvd., New York, N.Y.

Pocoons Dowms, Inc.

Sept. 8 1963 filed 190,000 common shares. $8. Business—Manufacturers of plastic pipe and fittings. Proceeds—To increase capital and pay off debt. Proceeds—Office—1301 West Liberty St., San Diego, Calif.

Pregunto Research Labs, Inc.

March 1963 filed 200,000 common shares. Price—$5. Business—Research and development, technical and economic services to commercial, industrial and governmental organizations. Proceeds—To increase capital, purchase equipment, and pay off debt. Proceeds—Office—1500 California Ave., Los Angeles, Calif.

Quality National Corp.


Racoon, Inc.


Rassco Plantations Ltd.


Retirement Fund, Inc.

April 6 1963 filed 100,000 memberships in the Founda¬

Riviere Trust Co.


Royal Business Funds, Inc.


S & J Source Water Co.

Nov. 18 1963 filed 90,000 common shares to be offered by subscription to stockholders on the basis of one share for each $100 of bonds held. Price—By amendment, $25. Expiration Dec. 16. Proceeds—Office—2317 South June St., Chicago, Ill.

San Morcol Pipeline, Inc.

Dec. 23-27

Nov. 7 1963 filed 10,000 common shares. Price—$2.00. Business—Company plans to construct a pipeline to transport natural gas. Proceeds—To increase capital and pay off debt. Proceeds—Office—2317 South June St., Chicago, Ill.

Saul, B. F.

Real Estate Investment Trust

Oct. 25 1963 filed 20,000 shares of beneficial interest. Proceeds—Office—1301 West Liberty St., San Diego, Calif.

Security Tiltage & Guaranty Co.

Jan. 10 1963 filed 500,000 of which 400,000 are to be offered for subscription by holders of the A and B stock of Security Tiltage & Guaranty Co., Inc., a manufacturer of plastic pipe and fittings. Proceeds—Office—1301 West Liberty St., San Diego, Calif.

Selective Funding Corp.


Southern Electric Service Co.


Southern Pacific Co., Inc.


Southern Pacific Co.


Southern Railroad Co.


Southwestern Electric Service Co.

Dec. 27 1963 filed 20,000 shares of beneficial interest. Proceeds—Office—1301 West Liberty St., San Diego, Calif.

Souto Mortgage Investment Trust


Teaching Machines, Inc.


Tecumseh Investment Co., Inc.


Texas Plastics, Inc.


Transaziona Resources, Inc.

Issues Filed With SEC This Week

**Bartlett Recreation Development Corp.**
Nov. 21, 1983 ("Reg. A") 75,000 common. Price — $4
Business — Development and operation of year-round recreation facility.
Address — 2100 W. H. Prentice Ave., Chicago, Ill.
Underwriter — Bartlett, N. H. Underwriter — None.

**Health Insurance Co. of Am.**
Nov. 26, 1983 filed 40,000 common to be offered for subscription by common stockholders on the basis of one share for each two shares held, restrictively non-voting.
Address — 345 W. Wacker Dr., Chicago, Ill.
Underwriter — None.

**Intercost Companies, Inc.**
Nov. 29, 1983 filed 225,000 common. Price — by amendment (max. $16).
Business — An insurance holding company. Proceeds — To be invested in other corporate purposes.
Address — 3146 S.W. 1st Ave., Miami, Fla.
Underwriter — Schenck & Co., San Francisco.

**International Milling Co., Inc.** (1/13-64)
Nov. 29, 1983 filed 450,000 common. Price — by amendment (max. $35).
Business — Operation of four mills in U.S. and Canada.
Proceeds — To finance plans of expansion and modernization, to improve and expand mill operations, and to purchase equipment.
Address — 2000 Republic National Bank Bldg., Dallas, Texas.
Underwriter — First Nebraska Securities Corp. Linzner & Co. Offering/Underwriting Co. nomed.

**Life Horizon Corp.**
Nov. 20, 1983 ("Reg. A") common.
Business — A holding company, presently with one subsidiary, Capital Life Insurance Co. of Am. Proceeds — For working capital and other corporate purposes.
Address — 1111 N. Dearborn St., Chicago, Ill.
Underwriter — Miller (Henry), Inc. New York.

**Northern States Life Insurance Corp.**
Dec. 3, 1983 filed 95,831 common and warrants to purchase an additional 119,802 common to be offered in units of one share and two warrants each.
Business — Wholesale distribution of life insurance.
Address — 1840 N. Farrell Ave., Milwaukee, Wis.

**OCC, Inc.**
Business — Ownership, planning and development of real estate.
Address — 955 W. Madison St., Chicago, Ill.
Underwriter — None.

**Paramount International Coin Corp.**
Nov. 27, 1983 filed 1,000 non-voting class A common.
Price — $1,000.
Business — Acquisition, holding, and disposition of coins, medals and other numismatic items.
Proceeds — For working capital. Address — 1 North Main St., Providence, R.I.
Underwriter — None.

**Pension Life Insurance Co. of America**
Nov. 26, 1983 filed 176,000 common. Price — By amendment (max. $10).
Business — Company plans to write life insurance in Washington and small benefits for firms in Washington and Georgia.
Underwriter — None.

**Peoples Protective Life Insurance Co.**
Nov. 26, 1983 filed 38,074 class A (voting) and 52,289 class B common. Price — $100.
Business — Operation of mutual life insurance companies.
Address — 297 Old Colony Ave., New York, N.Y.
Underwriter — None.

**Power-Pak Industries Inc.** (1/15-64)
Sept. 30, 1983 filed 1,000 class A and common and warrants to purchase an additional 50,000 class A shares and 50,000 units of 5% debentures for public sale in units of one $100 debentures and 15 common.
Proceeds — For equipment, working capital, leasehold improvements, and other corporate purposes.
Address — 121 South Market St., San Antonio, Texas.
Underwriter — None.

**United Variable Annuities Fund, Inc.**
April 11, 1983 filed 2,500,000 shares of stock.
Price — $10 per share.
Business — A new mutual fund.
Proceeds — For investment.
Address — 20 W. 6th St., Kansas City, Mo.
Underwriter — Waddell & Reed, Inc., Kansas City, Mo.

**U.S. Controls, Inc.**
Aug. 8, 1983 filed $210,000 of 5% debentures due 1973 and warrants to purchase 60,000 additional ordinary shares.
Price — $10 per unit.
Business — Development and manufacture of electronic and automatic control systems.
Proceeds — For inventory, sales promotion, note prepayment and working capital.
Address — 415 Fourth Ave., Brooklyn, N.Y.
Underwriter — To be named.

Effective Registrations

The following registration statements were declared effective this week by the SEC. Offerings details, where available, will be carried in the Monday issue of the "Chronicle."

**American Realty Trust**

September 1983 issue of debentures for the principal amount of $200,000,000 at 10% per annum, with interest due and payable on December 1, 1993.

**Bridges Investment Fund, Inc.**

200,000 common stock held initially at $10.08, without underwriting.

**Hedco, Inc.**

Offered 130,000 class A common offered at $2.50 per share by Charles Plehon & Co., New York.

**Henderson Joint Assn.**

$10,000,000 of 4% first mortgage bonds due Dec. 1, 1993, offered at 102.547% and accrued interest, to yield 4.91%.

**Homes Security Trust Co.**

Offered 22,000,000 shares of stock for each share held of record Nov. 28.

**Palm Beach Telephone Co.**

Offered 500,000 of 11% debentures due Dec. 1, 2000 offered at 101.26% and accrued interest, to yield 4.43% by Morgan Stanley & Co., New York.

**Pennsylvania State University**

$30,000,000 of debentures due Dec. 1, 1993, offered at 103.50% and accrued interest, to yield 4.28%.

**Peoples Security Trust Co.**

$500,000 of 5% debentures due Dec. 1, 1993, offered at 101.37 per debenture, on the basis of one $100 debentures for each 18 common shares held of record Dec. 3.

**Power Pak Industries Inc.**

$15,000,000 of debentures due Dec. 1, 1993, offered at 103.25% and accrued interest, to yield 4.84%.

**Ridgeline Investment Co.**

$10,000,000 of first mortgage bonds due Dec. 1, 1993, offered at 102.547% and accrued interest, to yield 4.91%.

**Shippers Dispatch, Inc.**

($5.75 per share by Francis J. duPont, New York, N.Y.

**Tennessee Gas Transmission Co.**

500,000 shares of common stock to be offered at $10 per share plus accrued dividends by Stone & Co. from owner issues of both, New York.

**Tennessee Gas Transmission Co.**

$500,000 of 5 1/2% convertible debentures due 1983, offered at 100% of par value, plus accrued interest, to yield 6.375%

**Underwriters Associates Inc.**

$500,000 of 5 1/2% convertible debentures due 1983, offered at 101.7 per debenture, to yield 6.38%

**Willowood Development Corp.**

$500,000 of 5 1/2% convertible debentures due 1983, offered at 101.7 per debenture, to yield 6.38%
**ATTENTION UNDERWRITERS!**

Do you have an issue you're planning to register? Our Commercial and Financial Chronicle has 110,000 common shares that will offer stockholders the right to subscribe for 12,500,000 additional common shares in this new offering. Each 20 held of record Feb. 18, rights will expire in early April. Write to Underwriters—None. Offering—Expected in early March.

**Prospective Offerings**

American Telephone & Telegraph Co., Nov. 26, 1963. It is reported that this company plans to sell $4,570,000 of 1-year equipment trust certificates in January. Probable bidders: Salomon Brothers & Hützler; Halsey, Stuart & Co.; Inc. Bids—(Competitive). Price—$66,000,000; 12 noon EST at address.

Bank of the Southwest N. A. (Houston), Oct. 18, 1963. It is reported that the bank plans to file a registration statement in early March, 1964, covering $20,000,000 of preferred stock. Probable bidders: Salomon Brothers & Hützler; Halsey, Stuart & Co.; Inc. Bids—Expected Bids—EST at address.

Bathstein Steel Co., Feb. 18, 1963. It is reported that the company will embark on a $75,000,000 capital improvement program in Michigan, but that it will not make a public announcement of the plan. Probable bidders: Salomon Brothers & Hützler; Halsey, Stuart & Co.; Inc. Bids—Expected Bids—EST at address.

Central Illinois Public Service Co., On Oct. 2, 1963, it was reported that the company plans to sell $25,000,000 of bonds sometime in 1963. Probable bidders: Chicago, Illinois; N.Y. Underwriters—(Competitive). Price—$65,000,000; 12 noon EST at address.

Communications Satellite Corp., Oct. 4, 1963. It is reported that the registration statement will be filed in December covering about $297,000,000 of this firm's common stock to be issued in two series. Series 'A' and Series 'B'. Probable bidders: Chicago; International Telephone & Telegraph; Phoenix; Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co.; Inc. Bids—Expected in early 1964.

Connecticut Yankee Atomic Power Co., Nov. 18, 1963 the SEC denied the application of the 12 utilities which jointly own this new firm for permission to negotiate with underwriters for the sale of up to $55,000,000 of the firm's stock. Cost. Underwriters—Reaffirmed. Evidence tended to indicate that Connecticut Yankee's senior debentures could be sold more favorably if competitively bidding. A spokesman for the firm stated that it has not yet decided whether it will apply the ruling, or to proceed with a competitive bidding. The company was formed in December, 1962, to own and operate a 500-Mw atomic power plant at South Windsor, Conn. Probable bidders: Salomon Brothers & Hützler; Halsey, Stuart & Co.; Inc. Bids—(Competitive). Price—-Maxi-
mum of $55,000,000; 12 noon EST at address.

Federal Reserve Bank of St. Louis

**Livingston Oil Co.**

Nov. 6, 1963 it is reported that the company reported $14,000,000 of debt securities, including $12,000,000 in bonds. The company's debentures were sold at $20,000,000 of and the second bond offering at $20,000,000 of debt securities. Business—Exploration and development of oil and gas properties. Proceeds—From the sale of additional shares of common stock. Underwriters—Halsey, Hayden, Smith & Co., Inc. Bids—None. Price—None.


Louisiana Power & Light Co., Oct. 16, 1963. It is reported that this subsidiary of South Central Utilities, Inc. plans to issue $25,000,000 of $65,000,000 of common stock and $25,000,000 of debentures due 1964 for construction purposes. Offer—142 Delarouge St., New Orleans. Underwriters—Competitive. Probable bidders: Merrill Lynch; Halsey, Stuart & Co.; Inc. Bids—None. Price—None.

Lovelite & Nashville RR (12/9)

Nov. 26, 1963. It is reported that this road plans to sell 80,000,000 of new $10,000,000 of debentures due 1964. Probable bidders: Halsey, Stuart & Co.; Inc. Bids—None. Price—None.


New York Telephone Co. (1/7/64)

Oct. 28, 1963, it is reported that this company plans to sell $40,000,000 of equipment trust certificates. Underwriters—(Competitive). Probable bidders: Salomon Brothers & Hützler; Halsey, Stuart & Co.; Inc. Bids—None. Price—None.

Northern States Power Co. (Minn.), Nov. 7, 1963. It is reported that the company plans to sell about $771,100 additional shares to stockholders on a 1-for-20 basis in 1964, to raise an estimated $25,000,000. Offer—15 South Fifth St., Minneapolis. Underwriters—To be named. Price—None.

**Pan American World Airways, Inc. (1/7/64)**

Dec. 4, 1963. It is reported that the company plans to offer $8,000,000 of common stock and $3,000,000 of debentures due 1964. Proceeds—For expansion, expansion, expansion, and purchased additional aircraft. Probable bidders: Halsey, Stuart & Co.; Inc. Bids—None. Price—None.
A and Dean's Dillon, Vice-President, Dec. 19.—Affirmative —Dec. 19. 000

Potomac Electric Power Co. July 30, 1963 it was reported that it will issue $8, 600,000 of first mortgage bonds in 1964. Proceeds—To the selling stockholders, Blackstone Valley Gas.

Southern California Gas Co. Aug. 12, 1963 the company stated that it is considering the sale of $50,000,000 of its first mortgage bonds in 1964 to help finance its $570,000,000 construction program. Proceeds—To be named at the sale.

Southern California Gas Co. May 7, 1963 the company announced plans to issue $8, 600,000 of debentures in the first quarter of 1964, which may be used for the construction of favorable properties. Proceeds—For construction. Office—10 Franklin St., New York.

Southern Counties Gas Co. of Calif. Jan. 2, 1963 it was reported that this subsidiary of Pacific Lighting Co., plans to sell $27,000,000 of first mortgage bonds in the fourth quarter of 1964. Proceeds—To make up the deficit in the 1963-64 fiscal year.


Transcontinental Gas Pipe Line Corp. May 1, 1963 it was reported that the Diet had authorized the sale of $200,000,000 of City of Tokyo Bonds in the U. S. during 1963-64. Underwriter—To be named. The last issue of Tokyo Bonds in March, 1953 was handled by Kuhn, Loeb & Co. Offering—Indefinite.


Valley National Co. Nov. 15, 1963 it was reported that the SEC is studying a proposal presented by Blackstone Valley Gas & Electric Co., in which it would offer up to 1.5 million shares at $11.15 per share.

TAX-EXEMPT BOND MARKET

Continued from page 6


The second bond issue was the $4,650,000 bond of the J. H. Morgan & Co., and associates at a net interest cost of 3.49%. The bonds were sold to yield from 2.00% to 3.49%, and the present balance in account is $2,000,000.

Tuesday's final important award involved $2,465,000 Albany, Ga., various purpese (1964 - 1993) bonds. The group led by The Trust Company of America was the high bidder for this loan at a net interest cost of 3.45%. The next bid, at a net interest cost, was submitted by White-Wald & Co. and associates at a net interest cost of 3.46% to 3.49%.

Other members of the winning group were Robinson-Humphrey Co., Citizens and Southern National Bank, Atlanta, Wynn, Weiss & Wagner, Francis L. J. Du Pont & Co., H. H. Hilsman & Co., Johnson, Lacey, Space Co. and Reviewer, and Pierce and Co.

Week's Major Sale

On Wednesday, the largest issue of this past week was awarded. The City of Bowling Green, Ky., sold $10,000,000 Water and Sewer revenue (1985-1993) bonds of the City of Bowling Green, Ky., and associates at a net interest cost of 4.25%. The runner-up bid was submitted by the same group at a net interest cost of 4.5%. The net interest cost was made by the John Nuveen Co. account.


The bonds were priced to yield from 3.4% to 3.6%, and were bearing a yield of 3.45% to 3.49%, and the present balance in account is $500,000.

Newton Named to Church Committee

ST. LOUIS, Mo.—George A. Newton, manging director of G. H. Walker & Co., investment bankers, with a home office in St. Louis, has been named treasurer of the committee on arrangements for the 61st General Convention of the Episcopal Church.

The convention will be held in St. Louis on Oct. 11-23, 1964.

Mr. Newton was graduated from the University of Colorado and Harvard Law School. He is a member of the Missouri and Illinois Bar, and has been a governor and executive of the corporation of Securities Dealers, as well as a national president of Investment Bankers' Association.

He was an all conference halfback at Colorado as well as a member of Phi Beta Kappa, national honorary academic fraternity. In 1957 he received an All-American Sports Illustrated award, bestowed on college athletes, and was achieved unaltered distinction in their careers.

Mr. Newton is treasurer of the Episcopal Diocese of Missouri and chairman of the Department of Finance. He also serves as a member of the Diocesan Investment Trust and was an initial recipient of the Bishop's Award in 1960.

Dean Witter & Co. Adds

TwoAccountExecutives

Dean Witter & Co., members of the New York Stock Exchange, has added two new account executives to the staff of its New York offices, it has been announced.

Leon J. Sutton, previously associated with another New York Stock Exchange member firm, has joined the Dean Witter & Co. office at 14 Wall St.

Bertrand E. Foley has joined the company's office at 11 East 55th St., Manhattan.

He had been one of the firm's security analysts for five years prior to his new assignment.

Hoffman, Weinberg, Shanley Firm Opens in Chicago

CHICAGO, Ill.—Hoffman, Weinberg, Shanley, Wrisley & Schrot, Inc. is conducting a general securities business in commodities and stocks, from offices at 141 West Jackson Blvd., Chicago.

Officers are David B. Wrisley, President; Robert W. Hofman, Vice-President and Sales Manager; J. Donald Schrot, Vice-President and Manager of the Chicago office; Richard W. Shailey, Vice-President and Secretary; and S. Sidney Weinberg, Vice-President and Treasurer.

Mr. Hoffman was formerly manager of the commodity department of the Chicago office of Reynolds & Co., with which Mr. Shrot was associated. Other members of the staff have been associated for the past three years with a Board of Trade clearing firm.

Socony Mobil Oil Merger Effective

On Nov. 30, 1963, Socony Mobil Oil Co., Inc., merged Virginia- Carolina Chemical Corp., by exchange of about 1,180,000 capital shares, with the call for the 1.2 Socony shares for each Virginia-Carolina common share, and 1.52 Socony shares for each Virginia-Carolina 5% convertible preferred share. F. Eisen- stadt, Socony Mobil vice-president and financial advisor to Socony and Lazard Freres & Co., and Central Na¬

ional Corp., acted for Virginia- Carolina Chemical Corp.

The latter firm will be operated as a separate division of Socony Mobil and its assets will not be consolidated before July stockholders of record of Socony Carolina Chemical Corp.

Combine Offices

BREELIVELLE, 11.—Newark, Cook & Co. has combined its offices in East St. Louis and Belleville into one new office at 20 East Main St., Belleville. Warren E. Leopold and Harold E. Wolfe are co-

managers.

DIVIDEND NOTICES

DIVIDEND NOTICE

Allegheny Ludlam Steel Corporation Pittsburgh, Pa.

At a meeting of the Board of Directors of the Allegheny Ludlam Steel Corporation held October 27, 1963, a dividend of $1.85 per share was declared payable December 20, 1963, to stockholders of record on December 6, 1963.

H. Z. HOWES, Secretary.

AMERICAN BANK NOTE COMPANY

PREFERRED DIVIDEND NO. 231

COMMON DIVIDEND NO. 231

CERRO CORPORATION

300 Park Avenue

New York 22, 11. Y.

DIVIDEND NOTICE

CERRO CORPORATION

Cash Dividend No. 174

The Board of Directors of the CERRO CORPORATION have declared a cash dividend of 32 1/2 per share on the Common Stock of the Corporation, payable on December 27, 1963 to stockholders of record on December 13, 1963.

MICHAEL D. DAVID

CERRO CORPORATION

New England Electric System

16th Century Continental Dividend

The Board of Directors has declared a dividend of $1.75% per share on the outstanding common stock, payable January 9, 1964, to stockholders of record at the close of business December 31, 1963.

Common Dividend No. 75

The Board of Directors has declared a dividend of 32 1/2 per share on the Common Stock of the Corporation, payable December 21, 1963 to holders of record of such stock at the close of business December 15, 1963.

The stock transfer books will not be closed.

H. E. MORTON, JR.

Treasurer
WASHINGTON AND YOU

Mr. Cackles

"I can't understand how you, a smart, successful registered representative, can actually believe this article about the earth's gravity diminishing —what nonsense!"

Political Implications

While our new President in the first days has left a strong impression that he will be a strong leader of both the United States and the Democratic party, there are numerous speculations concerning the future of the party of Jefferson and Jackson and Franklin Roosevelt and Truman and John F. Kennedy.

The old "pros" in Washington seemingly agree that President Johnson will head the Democratic Presidential ticket in 1964, just as it appeared a month ago that John Fitzgerald Kennedy would head the party with Lyndon Baines Johnson his running mate for a second time.

The assassination of President Kennedy badly hurt the announced candidate of Sen. Barry Goldwater for the Republican Presidential nomination, and it has practically assured Texas' 23 elec¬

Harry Byrd of Virginia, chairman of the Sen¬

tor Byrd and some of the conservatives in Congress want to take a look at the forthcoming budget proposed for the fiscal year 1963 starting July 1.

Johnson's Economy Plea

President Johnson asked all de¬

partments, agencies and bureaus to cut their monetary needs to a minimum. This was favorably re¬

cieved, and more than one member of the Senate is hopeful that he will follow-up this appeal with further action.

President Johnson told the joint session that his Administration would practice utmost thrift and frugality. It's probably impossible to stop him now, but it's fun to wish that he could.

As one competent observer said of Mr. Johnson's joint session ad¬

dress, which was extremely im¬

tortant for the benefit of the American people to show where he stood on numerous questions: He rose to the occasion; he is equal to the responsibilities thrust on his shoulders, and in his 32 years on Capitol Hill he has nearly every kind of crisis that is imaginable.

The "liberal-conservative" from the Lone Star State is a strong ad¬
vocate of the free enterprise sys¬
tem, and his speech-making on numerous occasions has cited the Constitution as a source in support of things he stands for.

There is every indication that the space program under the Na¬
tional Aeronautics and Space Ad¬

ministration will continue, as will our foreign assistance program to a marked degree. Yet, it is known that President Johnson favors re¬
ducing the assistance program wherever possible. It would mean that the future aid programs may be somewhat less than he continues in power for another four years.

The Commercial and Financial Chronicle . . . Thursday, December 5, 1963

COMING EVENTS

IN INVESTMENT FIELD

Dec. 1-6, 1963 (Hollywood Beach Fl.)
Investment Bankers Association of America Annual Convention at the Hollywood Beach Hotel.

CHRONICLE'S Special Pictorial Supplement Dec. 19.

Dec. 6, 1963 (New York City)

Jan. 29, 1964 (Chicago, I11.)

April 8-10, 1964 (Houston, Tex.)
Texas Group Investment Bankers Association Annual Convention at the Hilton Hotel.

FOREIGN SECURITIES

STANDARD LIFE INSURANCE COMPANY

20 BROAD STREET • NEW YORK 5, N. Y.

TOLL FREE 212-571-1665