

## This Week

### 'Tender' is the raider

The corporate marriages being made these days were never conceived in heaven. Rather, the proposals of unrequited love to the unwilling are coming from insiders who'd like to exchange their shares for cash and a legion of professional "scouts" trained in looking out for the vulnerable. The knots are being profitably tied in the board rooms of some terribly respectable brokerage houses.

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### Insider Trading: Alberto-Culver

The ailing hair and beauty aids company has managed to repurchase a good chunk of its stock from Gulf & Western. But that's not going to solve its shrinking market problem.

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### Opinion: Roderick M. Hills

The SEC's new man takes a hard look at the Glass-Steagall Act, the equity dollar shortfall and the proposed national market system.

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### \$canners - tomography for the giants

The miracle X-ray technique has been the monopoly of the small and innovative for three years, but with machines going at \$500,000 per, the giants were bound to step in.

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## Earnings scope

### Goodyear, Zurn winging; Gulf in sharp descent

By WILLIAM MEHLMAN

In the spirit of the season, there was a preponderance of happy earnings returns issuing from the board rooms of some of our major corporations last week. Goodyear and Zurn Industries were both caroling about anticipated record years and some sharp gains seemed in prospect for Syntex, Bell and Howell, Abbott Laboratories, Warner-Lambert and Harris Corp., to name a few. But the sounds of "bah, humbug!" were also in the air with lower or flat results being predicted by Gulf Oil, Monsanto, U.S. Steel, Texas International Airlines, Allegheny Ludlum and AT&T.

First, the good news. Yes, Virginia, Goodyear will report record sales for 1975. Moreover, the tire maker will better 1974's earnings, despite a decided lag in fourth quarter operations. This, from Chairman Charles J. Pilliod, Jr. Mr. Pilliod further believes that "the worst of the recession is behind us and that recovery in most of the other depressed nations will begin no later than mid-1976."

When it comes to spreading good cheer, Chairman Frank W. Zurn of Zurn Industries will not be outdone by anyone east or west of Akron. Mr. Zurn told security analysts in New York that the company will definitely top 1973's peak net of \$1 a share and 1975's record sales of \$235.2 million in the current fiscal year ending March 31. For the recent first half, Zurn reported a net of 58 cents a share on sales of \$120.7 million. The chief exec said that Zurn would retire its four-year \$10 million term note by December 31, 41 months ahead of schedule. Had enough? Okay, Zurn's current backlog is up to \$190 million from \$184 million at about this time last year.

Long-suffering Bell and Howell fans finally got something to shout about last week when Chairman Donald N. Frey told interviewers that the fourth quarter would see a reversal of six consecutive down quarters stretching back to 1974. That doesn't mean the movie camera business is out of the woods, because Bell and Howell will still come in short of last year's \$2.71 a share for all of '75. But 1976 does shape up



FRANK W. ZURN

as "somewhat better" through Mr. Frey's lense.

The only parts of the company's operations that showed any gains this year are microfilm products, resident schools and educational software. Unit sales of consumer photo products did experience a slight uptick during the pre-Christmas

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## Insider Trading

### Alberto-Culver turns inward

By RICHARD D. MORAN

Alberto Culver Company, a producer of hair care products and health and beauty aids, has taken a beating over the last two years, and the resultant stock-price plunge has enabled company president Leonard H. Lavin, director W. Clemen Stone, and an undisclosed third party to pick up Gulf & Western's 14 per cent share of outstanding common dirt cheap. Gulf & Western, which offers no comment on the sale, apparently felt its money could be put to better use elsewhere, and the Alberto insiders were undoubtedly delighted to purchase the shares at a price of 6% versus one of 48 back in early '71. The sale of 581,000 shares, transacted on November 7, brought 252,050 common shares to Mr. Lavin, 257,050 shares to Mr. Stone, and 66,900 shares to the third party.

With Gulf & Western out of the picture, Alberto becomes an even greater "insider affair," with Lavin's holdings up to 37 per cent of outstanding common, Stone accounting for 10 per cent, and total insider holdings estimated at close to 60 per cent. The obvious concern of Alberto insiders,

## 'Tender' is the raider - unheavenly marriages

By PHYLLIS FEINBERG

"The worst recession since the 1930s," as the present economic slump is often termed, has left stock prices depressed and many intrinsically strong companies temporarily weak and vulnerable — and resulted in a rather new phenomenon known as "raiding" or the "unfriendly tender." The temptation to make swift, surprise tender offers for a company whose stock price is depressed, below book value, has apparently become irresistible for many firms and the list of warring companies involved in unfriendly takeovers is steadily increasing — notable ones at the moment include Copperweld-Imetal; United Technologies-Otis Elevator; American Chain & Cable-Babcock and Microdot-General Cable.

Through the battles, Goldman, Sachs & Co. has emerged as a sort of "Robin Hood" for beleaguered companies trying to stave off the unwanted advances of their

unyielding suitors. This is because the firm's general policy is not to get involved in "unfriendly" or "surprise" tender offers.

The allusion to Robin Hood was made by Goldman, Sachs senior partner Gustave L. Levy in a seminar he conducted for students at the New York University Graduate School of Business Administration. Levy explored the unfriendly merger and explained Goldman, Sachs' reasons for avoiding such involvements — which has resulted in a flurry of involvement for Goldman, Sachs with companies which are being raided and are desperately seeking help.

### Made in heaven

"We think that most marriages are made in heaven and unless all parties involved really want a merger, it won't work," Levy said, explaining why Goldman, Sachs has avoided these unfriendly deals. He added that Goldman, Sachs has never been seriously approached by a client who desired to do this, but emphasized that the firm is just not interested in this type of transaction.

In an interview with *The Chronicle*, Ross E. Traphagen, Goldman, Sachs' partner and raiding expert, had harsh

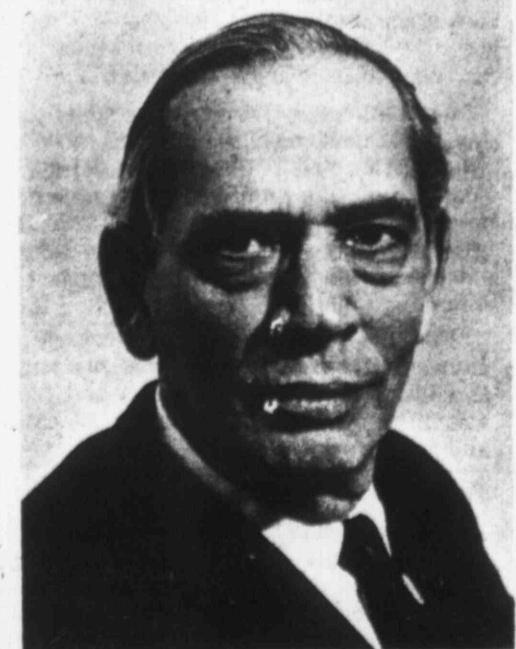
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and the company's 4,272 shareholders, is the firm's failure to convincingly recover from an earnings (and stock price) nose-dive which began in early '73. Since the first quarter of that year, the stock price has hovered at or below 10, and the volume has averaged under 60,000 shares since early 1974.

### Looking for a winner

The key to an Alberto comeback is a new product capable of dominating its market, and thus far a new men's cologne (Rango) has performed well but just hasn't done the trick. The beleaguered company just chalked-up its third consecutive year of declining net sales, which came in for fiscal '75 at \$147.5 million vs. \$152.4 million in '74. Net earnings plunged from \$2.6 million in fiscal '74 to only \$1.6 million in '75, with per share dropping from 59 cents in '74 to 37 cents the last fiscal year. Comparing those results with net sales in 1972 of over \$162.4 million, net earnings of over \$6 million and per share of \$1.27, one sees that the recession, along with raw materials shortages and a shrinking hair-spray

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GUSTAVE L. LEVY

## Contracts

## Israel getting F-15s; Hughes, GE in \$200 million runoff

It was a week of major contract news developments with the Pentagon announcing the overseas deliveries of the F-15 supersonic jet fighter to Israel the Defense Department letting a total of \$175 million in jet fuel contracts to seven companies, the Air Force selecting General Electric and Hughes Aircraft to design a new communications satellite with a potential value of \$200 million and President Ford restoring \$2.6 billion of his own proposed \$6.5 billion cut in the 1977 defense budget.

The Pentagon, in fulfilling its legally required notification to Congress, was under no obligation to make public the precise number of the McDonnell-Douglas F-15s being sold to Israel or the dollar amount. A spokesman for the department said these facts were being kept under wraps at the request of Jerusalem. Simultaneously with the Israeli announcement, the Pentagon reported the sale of \$1 billion in airfield construction and training to Saudi Arabia — the final phase of a \$3 billion modernization of the Saudi Air Force.

## Lockheed No. 1

If you've been wondering who the largest defense contractor in the U.S. is, the mystery is now solved. For fiscal 1975 (ended last June) it was Lockheed Aircraft with sales of \$2 billion or 5.3 per cent of the total of \$39.5 billion awarded for the period. In its latest listing of the top 100 defense companies, the Pentagon notes that the Lockheed figure represents a \$616 million increase in government business for the California aircraft-missile maker over that of fiscal 1974, when Lockheed was No. 2.

Those jet fuel contracts, all issued within a two-day period by the Defense Department's Fuel Supply Center, found Exxon leading the pack with a \$67.9 million award. Following in order were Sun Oil, 26.5 million; Standard Oil of California, \$25 million; Marion Corp., \$17.7 million; Navajo Refining, \$14.9 million; Amoco, a unit of Standard Oil of Indiana, \$11.9 million, and Shell Oil, \$11.1 million.

Over at the White House, Defense Secretary Donald Rumsfeld was putting on a display of political clout, getting President Ford to restore more than a third of the \$6.5 billion he wanted to chop out of the 1977 defense budget. It reportedly all took place a week ago Saturday during a meeting between the two. A White House

## Defense Contractors- 1975 the top 100's top 10

Company	\$Volume	Per cent of U.S. Total
1. Lockheed Aircraft Corp. ....	2,080,303	5.27
2. Boeing Co. ....	1,560,827	3.95
3. United Technologies Corp. ....	1,407,447	3.56
4. McDonnell Douglas Corp. ....	1,397,939	3.54
5. Grumman Corp. ....	1,343,335	3.40
6. General Dynamics Corp. ....	1,288,756	3.26
7. General Electric Co. ....	1,264,180	3.20
8. Litton Industries, Inc. ....	1,038,050	2.63
9. Hughes Aircraft Co. ....	1,026,021	2.60
10. Rockwell International Corp. ....	732,306	1.85

source says the budget that goes to Congress next month will now amount to about \$112.6 million.

The Air Force's selection of GE and Hughes Aircraft to design the new communications satellite involves an initial \$6.8 million award to each company for preliminary blueprints. Sometime in February 1976 one of the two will be chosen for full-scale development, estimated at more than \$130 million, with follow-on production raising the total contract value to better than \$200 million. They'll be designing the Defense Satellite Communications System (DSC) III, advertised as a major advance over the DSC II satellites presently in orbit. The DSC III will have a useful space life of 10 years, compared to the three-year life of DSC II. It will also be able to communicate with up to 400 ground terminals as against the 39 ground terminal communications of the present system. Knocked out of contention for the award were Lockheed and Philco-Ford.

In the only other Air Force award of the week, GE picked up \$23.3 million in three contracts for aircraft engines, low-smoke retrofitted jet engine kits and the aforementioned design of the DSC III system.

## Second Hughes award

The Navy was unusually busy last week and its biggest customer was Hughes Aircraft, recipient of \$87.5 million to supply long-range Phoenix air-to-air missiles for

use on the 80 Grumman F-14 fighters recently purchased by Iran. Grumman itself picked up a Navy award worth \$24.8 million for EA-6B electronic warfare aircraft. In other Navy contract developments, RCA got \$18.5 million in contract additions to simplify the design of the new ship-board Aegis long-range anti-aircraft missile system; LTV Aerospace received \$14.3 million in additions to change A-7 light bombers to two-seater training aircraft; another \$12.3 million went to Grumman for field engineering and program management support service for the F-14 program, and Lockheed received \$3 million to develop a utility version of its carrier-based S-3A Viking antisubmarine plane for the transportation of passengers between aircraft carriers and shore bases.

## Water system

In the non-defense area, it was Morrison-Knudsen taking down honors last week with a \$68 million contract to build a water intake and discharge system for a nuclear power station scheduled for construction near Seabrook, N.H.

Not too far behind was ITT, whose London-based Standard Telephones and Cables Ltd. unit got \$50 million from Spain's Compania Telefonica Nacional for a 750 nautical mile undersea cable system. The system, with 5,520 two-way telephone channels, will connect the Spanish mainland with the Canary Islands.

Further down the line, Turbodyne Corp. said it got a letter of intent from Basin Electric Power Cooperative of Bismarck, N.D. to build two combustion turbine generator systems valued at \$14 million. They'll provide an estimated 120,000 kilowatts of peaking power to Basin's customers in southeastern South Dakota.

In Pittsburgh, Westinghouse Electric reported it received a \$10 million order for three 70,000 kilowatt hydroelectric generators for the Taabo Station in the Republic of Ivory Coast. The company said the order resulted from a contract signed last month in Abidjan by Ivory Coast and members of a Europe-based consortium led by Ateliers de Construction Electrique de Charleroi, Westinghouse's Belgian subsidiary. Westinghouse followed this report with an announcement of the receipt of a \$1.5 million contract to supply industrial fans for the metal foundries of the new Kama River truck plant in the USSR. Pullman's Swindell-Dressler division, builder of the plant, let the contract.

Of undisclosed size was a 10-year licensing agreement Cincinnati Milacron signed last week with Iran's Industrial Development and Renovation Organization (IDRO). The Ohio company estimates the

deal will ultimately mean total additional revenues of at least \$15 million to its British subsidiary, Cincinnati Milacron Ltd. of Birmingham which will provide the technology and training IDRO will need to manufacture milling machines for metalwork.

## J.C. Penney is performing well

By almost anyone's standards, J. C. Penney can hardly be faulted when it comes to the performance of its stock.

In the week from December 10, when the company offered some three million of its common shares at \$45.50 a share, until December 17, Penney's stock rose about 10 per cent to nearly \$50.

Three million shares may seem like a lot of stock, but in Penney's case it represented only about 5 per cent of the nearly 60 million shares outstanding before the offering.

So as Dean Witter Analyst Desmond Heathwood points out, the deal which brought some \$136 million into the retailer's till, represented "very little dilution." But if dilution is not a problem in the Penney sale, questions still linger as to why Penney's stock happened to rise. It could hardly be said that analysts have adopted a more positive or revisionist spirit regarding the company. Outside of Heathwood, most of them are hedging their comments.

During the past year some analysts have questioned the long term outlook for some of Penney's operations, and at least for some, these qualms apparently have not been resolved satisfactorily.

Says one institutional analyst: "I've been very neutral towards the stock for some time. I've not been using the stock at all. But I can see in a way why the stock has been performing well, the question for me is what is the trade off between the short and long term for Penney."

As this analyst sees it, Penney, purely on a price basis, is relatively cheap, assuming, a continued upturn in retail sales and profits in 1976.

Heathwood takes a decidedly more positive view, believing Penney to be a good long term investment.

How an analyst currently views Penney seems to depend on how he believes the company has come to grips with problems which surfaced in the past year or so. Then, a number of analysts expected the general merchandise chains—the Penneys and Sears, Roebucks—to weather the recent dismal economic environment better than department store chains.

## Analysts find Coca Cola's P/E ratio of 20 plus the unreal thing

With the U. S. economy strengthening, it seemed a certainty that the all-powerful consumer would pause more often to refresh himself on "The Real Thing," as Coca Cola's advertising agency might put it.

It also seemed certain that with sugar prices retreating to a less elevated level Coca Cola would feel a little less pressure on the bottom line.

These conjectures appeared to be borne out in the third quarter when Coke reported \$1.18 a share, as compared with a restated 95 cents in the period a year earlier. But some on Wall Street are questioning whether the outlook for Coca Cola is sufficiently refreshing to command a price-earnings ratio of about 20.

Merrill Lynch analyst L. Timothy Griffith says that the P-E is "excessive in view of the company's reduced longer-term growth prospects and we are maintaining our 'okay to sell' investment decision."

What intrigues Griffith is his belief that Coca Cola these days is impacted more by "sugar price swings than by unit sales and I don't think this is bullish." Consequently, he is not as impressed as some about the upswing in unit sales that is now taking place and what it means to earnings per share for Coke.

For this year, analysts are looking for anywhere from about \$3.90 to \$4.20 a share as compared with \$3.28 in 1974 and there was little in the third quarter to cause anybody to reconsider.

## Accounting change

It should be pointed out that last year's first three quarters had to be restated because the company's change to a last-in, first-out form of inventory accounting which cost it 52 cents a share for all of 1974. But Griffith prefers to ignore last year for comparison figures since the gyrations in the price of sugar, which some observers

said came about because of a poor crop in Western Europe, and a decision by Russia to buy in the West, caused the delicate supply-demand pattern to come apart.

Of course, there were some critics, including some members of Congress, who questioned whether true supply-demand explained the jump in the price of raw sugar to 66 cents a pound in the world market. As a comparison, it currently sells for about 13 cents a pound.

Consequently, Griffith prefers to use 1973's results as a comparison, since, the price of sugar being considerably more stable these days, Coke's results can be examined more realistically from the point of view of two years ago. He contends that this is true even though the company was using the first-in, first-out form of inventory accounting in 1973 and thus the treatment of sugar being held before being converted to syrup is different in terms of accounting. Still, he believes that even if the company restated 1973 earnings to account for LIFO, they would be little different since the price of sugar was so relatively stable.

Comparing 1973 with 1975, Griffith notes that earnings went from \$3.60 to what he believes will be \$3.95 a share. For next year, when most observers believe sugar prices will be relatively stable, Griffith is looking for Coke to come in with \$4.25 — a projection that is among the lowest on Wall Street.

He arrives at this conclusion because he believes that Coke unit sales simply do not give the kind of shot in the arm that can be achieved by sharply falling commodity prices. Moreover, there is a more general feeling that the kind of growth the soft drink industry enjoyed in the 1960s will not be duplicated during the latter half of the 1970s. For one thing the demographics have changed. But more than that, the vending industry has also matured somewhat, analysts note.

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## 12% ad revenue increase seen for newspapers

Newspaper advertising revenues industry wide for 1976 should increase 11 or 12 per cent over 1975, according to Lee Templeton, Vice President of Knight-Ridder Newspapers. Speaking at a conference on the outlook for the media, he said that 1975 estimated advertising revenues indicate a record of about \$8.4 billion.

Werner Veit, chairman of the circulation study committee of Booth Newspapers Inc., predicted 1976 circulation prices would increase 6 to 9 per cent over the 1975 rate, but would still be considerably less than the 8 to 25 per cent increases experienced in 1974.

Veit said catch-up rate hikes have already been put through by the industry and any rate increases would be dictated by inflation. He noted that current pricing sentiment in the newspaper industry is to price the paper higher and absorb any inevitable loss in readership.

Looking to U. S. newsprint consumption, International Paper Co. Vice President of Operations Chuck Thompson declared that 1975 consumption should equal 9.25 million tons. He said the projected decrease in consumption from 1974's 10.8 million tons was due to conservation measures accounting for 650,000 tons or 40 per cent of the decline, basis weight reductions accounting for 350,000 tons or 22 per cent of the decline.

Thompson projected 1976 U. S. newsprint consumption at 9.75 million tons, with a subsequent 3 to 4 per cent consumption growth rate to about 11.25 million tons by 1980. He said industry-wide newsprint inventory levels should equal 35 days. He projected the industry has ample capacity to meet newsprint needs through 1978 but new capacity will be needed before 1980. He assumed industry operating rates in the high 85 to 90 per cent capacity range.

## Hewlett-Packard: waiting for the new line

Depending on whom one talks to on Wall Street, Hewlett-Packard Co.'s stock has become too expensive or still is somewhat cheap.

It probably is selling much too high — in the \$90 to \$100 range recently — if you agree with Drexel Burnham analysts Alan Benasuli. He says the company is in one of the most difficult phases of its history and will show only modest earnings growth this fiscal year (ending October 31, 1976) to \$3.30 to \$3.40 a share from \$3.04 in fiscal 1975.

But if you heed the advice of analyst Robert Hanisee of Crowell, Weedon in Los Angeles, Hewlett-Packard's earnings will rise to \$3.65 a share this year, maybe even higher, and the stock, which has always commanded a premium multiple, is "more a buy than anything right now."

The comments of the two analysts are typical. They are being made while Wall Street awaits with great curiosity and anticipation the promised introduction of a "number of important new products" by Hewlett-Packard.

Even the optimistic Hanisee says "there is nothing unique any more" about Hewlett-Packard's products as they now stand. So he believes the company "has to come out with something really unique" as it did in 1972 when it so successfully entered the hand-held calculator business.

The biggest rumor, according to Hanisee, is that among the new products will be a "bubble memory" calculator which involves "entirely new technology that's still waiting to become commercialized."

This doesn't impress Benasuli who notes that none of the new products, including the bubble memory, can make a "big impact" on 1976 results. It should also be pointed out that International Business Machines told securities analysts recently that it does not believe bubble memories "at present" offer any advantage over current technology and that it would be several years before bubble memories would show

up in IBM products.

Meanwhile, Benasuli says, all of Hewlett-Packard's products are "coming under increasing competition" while prices are falling sharply, especially in calculators and minicomputers. "For a company that had lower earnings in 1975 and will have only a 10 per cent gain in 1976, I think the stock is pretty expensive," he observes.

While Benasuli feels that Hewlett-Packard is "by far the best company" in the electronic instrumentation field, he has not recommended buying the stock for the past two years. He is maintaining a "neutral" rating.

Another hesitant analyst is David Allen of Sutro of Los Angeles. Allen feels Hewlett-Packard always has deserved a high multiple. But at this point he also thinks the stock is "pretty expensive." He says he is not on a "bearish campaign" against the stock but does not see it as a "sensational near term buy." He is not currently recommending purchase.

On the other hand, Hans Severiens of Merrill Lynch offers one of the strongest arguments for buying the stock now, even though he concedes that currently high price-earnings issues are not institutional favorites. Severiens says the history of Hewlett-Packard indicates that the best time to buy it is when earnings enter a flat period, "if that period has been caused by external economic factors and if the prospects for much higher earnings in one to two years are solid."

That is the case again now, according to Severiens. He is of the opinion that in the current first and second quarters, earnings probably will be sequentially flat at about 38 cents a share. Profits for the full year may only increase to about \$3.50 a share but they could rise to \$4.50 in fiscal 1977 as the economy improves, the analyst estimates.

Severiens does not think there have been any fundamental changes in Hewlett-Packard "to make it less viable." Indeed,

to him, the company "appears to be stronger than ever," despite the relatively modest earnings gains projected for the current fiscal year.

Technical charts of some brokerage houses, however, see a near-term downside risk for Hewlett-Packard in the \$80 to \$85 area, and an upside of \$120 to \$130 within the next six to twelve months.

## Cummins Engine lets its cheerleaders down

When Cummins Engine Co. recently told its shareholders how business had fared in its September quarter, the effect was anything but pleasant.

At least that's the impression left by Smith Barney's Peter Zaglio in a recent memorandum on Cummins. Zaglio said he expected earnings for the period to significantly trail the 52 cents a share earned in the 1974 quarter but hardly at the pace they did.

Instead of reporting a profit of 20 cents a share for the quarter as he had anticipated Cummins came in with a loss of 39 cents.

Such a performance, in turn, has meant that analysts like Zaglio have had to halve their estimates of what Cummins will earn this year. Zaglio has cut his 1975 projection by some 75 cents to \$1 a share. Moreover, Zaglio says that his confidence in this estimate, which allows for no further currency translation losses and only a small fourth quarter inventory writedown, is low.

But then Zaglio still maintains that Cummins will earn \$2.50 in 1976, or well below 1974's \$3.24 a share. He concludes that "while we remain positive on the long-term growth of the truck and diesel engine market, we would defer purchase of Cummins stock until some of the near term uncertainties appear to be on the road to resolution."

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# Market Letters Digest

## Dean Witter: Consumer Habits

The real key to the economic recovery, Dean Witter & Co. believes, is how much and how fast the consumer returns to former spending habits.

Personal income was up by \$15 billion in September and nearly \$13 billion in October, Dean Witter points out, which is an extremely healthy trend. But the very unhealthy advance in consumer prices in October, 8.4 per cent on an annualized basis, is a reminder, according to Dean Witter, "that inflation is an adroit thief of purchasing power." However, the firm anticipates a much-improved inflation rate in 1976.

Dean Witter wonders why, if the consumer is really "the key" to sustained business activity, "doesn't he or she feel better about it?"

The firm refers to Sindlinger & Co.'s survey of consumer attitudes which shows a decline in confidence since mid-summer. And the Conference Board's bimonthly index fell to 72.1 for October versus 77.3 for August.

Dean Witter thinks it's possible that the spate of consumer outlays and the topping out of confidence mean that last spring's tax rebates have only given "a fleeting shot in the arm" to buying power and a "warm but temporary" feeling of confidence.

Now that the rebates have gone through the "system" and with unemployment still remaining uncomfortably high, Dean Witter wonders how aggressively consumers "will lead us up the recovery path."

## Wheat: A.H. Robins

There are several reasons why the stock of A.H. Robins Co. is currently attractive and should be purchased, according to Wheat First Securities.

They are: 1) The company's recent improvement in earnings as shown by the increase in third quarter 1975 results (\$.28 vs. \$.24) after three quarters of declining earnings; 2) A favorable outlook for 1976 with earnings estimated at \$1.25 per share; 3) More favorable new developments including an acquisition, a joint venture to manufacture chemicals that are used in some of Robins' major products and a dividend increase; 4) Less investor concern about the company's liability regarding the Dalkon Shield; and 5) A relatively modest price earnings ratio of less than 10 times estimated 1976 earnings (it ranged from 43X to 8X during the 1970 to 1974 period) in the drug group which is starting to show market strength once again.

Wheat says that profit margins also improved modestly in the third quarter compared to the same quarter last year; it was the first improvement noted since late 1973 when inflationary pressures started to have a damaging impact on profits. Wheat points out that the increase in sales shown in the third quarter of 1975 (about 12 per cent) is continuing in the fourth quarter. Fourth quarter results may show sales of \$60 million and earnings of \$.25 to \$.27 a share compared to \$52 million and \$.19 a share for last year's fourth quarter. For the full year, Wheat expects earnings in the \$1.08 to \$1.10 range on sales of \$236 million.

Wheat believes that Robins' outlook for 1976 is very favorable as consumer spending continues to improve and inflationary factors abate, two factors which have hurt profit margins over the last two years. The firm's recent acquisition of American Drug Corp. is expected to add \$10 million in sales and \$.03 per share in earnings in 1976. Lip Quencher, a moisturized lipstick introduced nationally in mid-1975, is making encouraging progress, Wheat notes. Robins may also received FDA approval in 1976 for the extended release dosage of Pondimin and clearance to market bethanidine, an antihypertensive drug. These products are not included in Wheat's 1976 estimates because of the uncertain timing of FDA approval, but upon approval they should contribute to Robins' future growth potential.

## Harris: Expansion and unemployment

In 1976 the nation will have a substantial economic expansion, along with continued high unemployment and price increases of 5 to 6 per cent, Harris Bank declares.

The gross national product is expected to rise to 6 per cent next year, the bank says. Consumers, business and government will all contribute to a rise in spending, after "the economy's longest and sharpest decline since the 1930s," in the words of Harris.

The bank believes that at the end of 1975 the financial positions of most consumers and businesses is improved over a year ago.

Important developments which the bank foresees for 1976 include: record corporate profits giving a boost to new plant and equipment outlays; moderate increases in business inventories; and a 10 per cent gain in consumer spending.

Harris said its forecast for a 6 per cent advance in economic activity along with a 5 to 6 per cent inflation rate is based on the assumption of a continuing moderate growth of the money supply.

The greatest challenge to economic policymakers in 1976 will be high unemployment, the bank declared. If they decide to begin expansionary fiscal and monetary policies to help reduce the jobless rate, a rapid rise in interest rates could result which would slow economic expansion and fuel inflation.

The bank believes that the 1976 elections will show whether Americans prefer to reduce unemployment as quickly as possible or avoid a resurgence of double digit inflation.

## Bernstein: Xerox policy

Harris added that with a \$60 billion federal budget deficit in 1976 there will have to be advances in rates on U.S. Government securities since the Federal debt will have to be sold to individuals. The bank also warned that unless there is a sharp reduction in U.S. Treasury borrowings "it is doubtful funds will be available to meet the capital requirements of the next decade."

The new domestic price plan of Xerox Corp. which will go into effect January 1, 1976 reconfirms the belief of Sanford C. Bernstein & Co., Inc. that the major motivation behind Xerox's willingness to enter into the Consent Decree with the Federal Trade Commission was to implement a long overdue restructuring of the firm's product-marketing approach to the domestic copier and copier-duplicator markets.

Bernstein says that the pricing revisions are a "retrenchment" from Xerox's earlier strategy of competing on the basis of superior technology to one oriented towards price per copy. Market forces, particularly from IBM, have made the move imperative, according to Bernstein. The success of the new strategy is dependent mainly on the reluctance of Xerox's competitors to lower prices even further.

The new price revisions reduce unit copy costs to the user in exchange for commitments geared to have a favorable impact on Xerox' profit margins. Eventually, the plan should put Xerox in a position to lower per-copy costs to the user while maintaining long-term profitability.

Whatever the long-term benefits of the new price policy, Bernstein says the near-term impact will be negative on balance. Over the next three quarters the following may occur, according to Bernstein: corporate earnings to decline almost 15 per cent on a year-to-year basis; a continued buildup of worldwide losses from the 9200 and word processing programs; continued weak net installation growth as a pickup in new copier placements is offset by an increase in older copier cancellations; possible severe distortions (favorable or unfavorable) in reported quarterly placements usage and-or earnings due to user reaction to the new price policy; and the introduction of a high-speed IBM copier-duplicator (CopierIII) with some outstanding features which will further damage Xerox's placement recovery and cause more real and imagined investor concern.

However, Bernstein thinks Xerox will have a significant earnings recovery in late 1976 which will gain strength during 1977. It is not likely that competitive developments will hamper the positive earnings impact of the improving cyclical environment and the tapering off of startup losses for the 9200 and word processing product launches.

However, Xerox's price changes, IBM's response and Xerox's counter response to IBM have caused Bernstein to lower its earnings forecasts for Xerox slightly for 1976 and more significantly for 1977. The price competition suggests to Bernstein a willingness on the part of both IBM and Xerox to use price as a competitive tool to a larger degree than Bernstein had expected. The earnings forecast for 1977, which was lowered to between \$4.75 and \$5.25 from \$5.50, assumes there will be a further erosion of the price structure of copier-duplicators in domestic markets.

## Fahnestock: Caldor, Inc.

The ability of a small company to maintain superior profitability in the extremely competitive retail trade industry is indicative of a strong management group—Caldor, Inc. is just such a discounter with a fine long-term profit trend, according to Fahnestock & Co.

By maintaining an "orderly, internally financed expansion program" Fahnestock says that Caldor has avoided the excessive financial leveraging and loss of control at the store level that contributed to the failure of other discount chains.

Caldor has 20 stores in Connecticut, nine stores in New York and six stores in Massachusetts. Fahnestock says there are "ample opportunities" in the tri-state marketing area to allow the opening of four to five new stores each year.

Caldor's sales more than doubled from 1969 to 1974 and net income rose 74 per cent. For many retailers, 1974 was a disastrous year, yet Caldor's earnings were up slightly. Fahnestock believes that Caldor's profit growth should accelerate during an economic recovery.

Because of its "fine operating record, above-average profitability and good balance sheet," Fahnestock thinks Caldor is a quality investment. However, because of the firm's size and stock volatility, there is an above-average degree of risk.

Caldor's common stock "substantially outperformed" the market averages during the bull market of 1970-72. However, the decline during the 1974 low was significantly larger than the rest of the market—88 per cent versus 48 per cent. Caldor's current price is 182 per cent above the 1974 low while the market as a whole has moved up 44 per cent from the bottom.

At its peak price in 1972 Caldor common stock sold at 30 times earnings. But Fahnestock does not believe a repeat of the "speculative excesses" that inflated the price earnings ratios of Caldor and other discount chains in 1971 is likely.

Fahnestock thinks that at the present time there is still room a "significant widening" of the multiple. Combined with expected earnings growth of around 15 to 20 per cent per year over the next several years, this could make Caldor "a rewarding holding."

### Schroder: Interest uncertainty

Although the general consensus is that the economic recovery will be sustained through next year, no such unanimity of opinion exists about the behavior of interest rates in 1976, says The Schroder Report.

According to the report, most analysts agree that the yield curve will probably flatten out in 1976, which would be logical in the second year of a recovery, and that short-term interest rates will be higher at the end of 1976 than they were at the end of 1975. There is also the general belief that public offerings of corporate bonds during 1976 will be much less than the amount marketed this year, that very highly-rated issues will be a smaller proportion of the total than before and that the very wide rate differentials between the highest-rated issues and the upper-medium quality offerings will narrow.

It is also believed that Treasury financing in calendar 1976, still quite large, will be less than in 1975, but Agency borrowing will probably expand. Business loan demand at commercial banks is also expected to be better next year than this year, but no one expects a "banner year."

However, Schroder says there are major differences of opinion about what will happen with long-term interest rates in 1976 and about how much, how soon and how rapidly short-term rates will rise. Those expecting a relatively modest upward movement in short-term rates in 1976 and a sizeable decline in long rates anticipate a slow economic recovery, a lessening of the inflation rate and a generally easy monetary policy. Also in accordance with this view is the expectation that credit demands in the money and capital markets will be relatively modest in 1976 and the belief that a large volume of institutional and individual money will be available for investment in such instruments.

Those anticipating a substantial rise in short rates, according to Schroder, expect long rates to be about the same or move higher and think the economy will be stronger, with inflation about the same and a firmer monetary policy and greater credit demands.

At the present, those with a more optimistic view on rates have not convinced those participating in the debt markets, says Schroder. Substantial "indigestion" has recently developed in the corporate bond market as potential issuers took advantage of the October rally and came to the market with new issues.

### Wright: No relapse

The recent relapse in the stock market will not last and is not an indication that a change in the basic market trend is imminent, according to Wright Investors' Service. The firm still believes that further recovery of stock prices will take place.

The abrupt 42-point fall which recently took place on the Dow Jones Industrial Average, "with no new developments visible other than a bearish forecast by a private banking house carried in the Wall Street Journal," says Wright, is indicative of the "spookable" herd psychology which the firm believes has come to characterize the stock market with its institutional domination.

The stock market relapse is especially incongruous, Wright believes, when studied in light of the current and anticipated economic developments. Even though the economic recovery appears to be slower than had been forecasted earlier in the year, Wright points out that the prospects are still decidedly positive, "especially for the period six to twelve months from now which traditionally determines current stock market trends."

Wright observed that the irrationality of the stock market slump is also shown by the fact that at current prices a great many stocks now represent true values in relation to past pricing. Wright says that today's value ratios of market price to shareholders' earnings and equity are, with the exception of last year's bottom, lower than any bear market low since the 1930s.

### Richardson: Apparel retailers

Richardson Securities of Canada says that while retail apparel sales in Canada have been rising at a rate of 8 to 9 per cent so far this year, specialty chains (with more than four stores) have been growing at over twice this pace. These growth partners, says Richardson, are not a new phenomenon, but have become more and more evident as shopping centers "extend their dominance of total retail traffic." Most public apparel chains, according to Richardson, have ready access to prime locations within these shopping centers because they are so well known.

The specialty chains are better able than the multi-product department stores to react to shifts in market demand and control inventory positions, the firm adds, because it caters to narrowly-defined markets with highly centralized merchandising programs.

Richardson says that the specialty apparel chains still have less than one-quarter of the total available retail market for clothes and their prospects for further penetration of the market appear very good because of the factors mentioned above.

Despite the Canadian government's new price and wage guidelines, Richardson still anticipates that apparel sales will rise faster in 1976 than the extremely modest 1 to 1.5 per cent increase in unit sales of 1975. Although the control program might squeeze profit margins, Richardson believes the large chains will have sufficient volume gains in 1976 to allow further increases in profit, after the excellent year in 1975.

Richardson recommends the purchase of Dylex Limited and Reitman's (Canada) Limited, which are the two largest and most actively traded issues in the retail apparel group. Richardson says that since it issued its last report in March, these stocks have performed somewhat better than the general market. But share prices still appear inexpensive, the firm notes. At the moment, according to Richardson, these stocks are trading at, or below, Toronto Stock Exchange multiples, yet earnings are continuing to grow much more strongly and consistently than overall corporate profits in the economy.

### Manufacturers: On schedule

The economy is behaving just as has been expected and the economic recovery is proceeding on schedule, according to Manufacturers Hanover Trust Co. Although there are some who claim that the recovery is ending, which would make it the shortest recovery in U.S. economic history, this is not true.

The bank believes that those who think the recovery is ending are "overinterpreting" recent statistics. Manufacturers cites several facts in support of its theory: 1) Although the unemployment rate rose in October, total employment also continued to rise; 2) Housing starts jumped sharply in October, to 1.5

million units (annual rate) after averaging 1.25 million units in the prior three months; and 3) In spite of a "vast" run-off in inventories, the real GNP in the third quarter grew at approximately a 4½ per cent rate.

The real economy should continue to grow at a rate of 4 to 5 per cent, the bank believes. Although the bank acknowledges that this is not a rapid rate of increase when contrasted with other periods of economic recovery, it is a "satisfactory performance" which will avoid pushing the country rapidly up to its capacity ceilings, thereby preventing another serious round of double digit inflation.

According to this pattern, in 1976 there should be an increase in total employment quarter-by-quarter, an increase in real GNP and a stabilizing of the inflation rate (the bank thinks that the 8½ per cent increase in October will prove to be "only a temporary aberration").

Other economic predictions which the bank makes for 1976 include: 1) Capital spending will tend to increase during the year, rather than weaken; 2) Demands for long-term loans won't be great enough to force long-term rates any higher than they are at the present time; 3) If the inflation rate comes down and stays within a moderate range, good quality corporate bond yields will likely move lower, rather than increasing from their present levels; and 4) The U.S. should continue to have "handsome" trade surpluses and start to attract foreign capital, which should cause a further strengthening of the dollar during 1976 and in future years.

### Option Trader: Taking off

"In the airline business," says The Option Trader, "you're either flying or you're grounded." Many of the airline stocks have been "grounded" for quite a while. But many of the carriers are ready to fly now, according to the report.

The report says that option traders should look carefully at Chicago Board of Options listed airlines, which "just happen to constitute the top tier of the industry." The best of the group, according to Option Trader, is Northeast Airlines, with a "debt-equity ratio second to none" and the lowest breakeven point of any of the carriers. The breakeven point is about 37 per cent, with the difference between the low breakeven point and actual traffic representing "substantial profit potential." Option Trader says the company is fully equipped for any increase in traffic from even a mild economic recovery, because three-quarters of its capacity is in wide-bodied aircraft.

United Airlines isn't expected to make "spectacular profits" this year or next, but since it has no equipment on order for its fleet, its cash flow position "make it particularly attractive in this market," according to the report.

However, Delta Airlines, has to continue reequipping its fleet in order to take on new traffic, Option Trader reports. The fleet realignment, combined with increased interest charges—up \$11 million—has cut significantly into 1975's earnings. But the appealing part of the Delta picture, says the report, is that its problems are far enough behind it for it to forecast decreasing interest payments for the current fiscal year and a completion of the reequipment cycle by the end of next June. Delta has a large portion of its passenger revenue coming out of the Northeast and hopes to take full advantage of increased domestic travel in 1976.

The Option Trader believes that "sooner or later" these three airlines will begin to look strong for 1976. Over the near-term Option Trader picks Northwest. The stock is now at 19½ and the NWA 20 APR is "particularly appealing." The report recommends holding back for a while on Delta to "let the good news take hold of this already high multiple stock." And Option Trader warns that it is possible that "the whole airline picture may be cloudy for some time to come, due to some worries about lending arrangements at Eastern and TWA.

### Bateman Eichler: American Medical

American Medical International is one of the leading companies in the hospital management industry, according to Bateman Eichler, Hill Richards, Inc. The research report recommends purchase of American Medical common stock for risk-oriented accounts.

Bateman Eichler thinks American Medical is in a good position for potential future growth because of a large construction program over the last few years. Earnings, which were depressed due to the effects of the construction program, are expected to have good increases beginning with the current fiscal year because of the internal growth of the hospital chain and decreasing negative costs associated with the construction program.

The stock's price-earnings multiple is at a low level (4.8 times earnings) due, Bateman Eichler believes, to the lack of earnings growth over the last three years. But as an upward earnings trend emerges, Bateman Eichler anticipates that the multiple will expand.

Bateman Eichler does warn, however, that a second doctor's strike in California (which has just started; it hadn't begun when the report was written) could have a negative effect on the stock price. It is estimated that the first strike cost the company approximately \$.02 per share. Investors should be aware, Bateman Eichler states, that a strike would likely have a psychological effect on the stock's near term performance.

American Medical's decline in earnings in fiscal 1973, 1974 and relatively flat showing in fiscal 1975 was because of the major construction program the firm was involved with. Since the major part of it was finished in 1975, Bateman Eichler says that interest expense should at least level off in fiscal 1976 and decline over the next few years. Start-up losses are expected to be reduced and earnings in fiscal 1976 should have a good percentage improvement.

### Babson's: Solid growth for plastics

It is expected that by the early 1980s world consumption of plastics will exceed that of steel. At the current historical growth rate the industry could surpass the volume for all paper products and lumber by the year 2000, says Babson's Reports.

The industry has managed to achieve dynamic growth despite highly competitive conditions, price cutting and rising imports. It accounts for over 20 per cent of the chemical industry's sales. But since the Arab oil embargo of 1973, there have been new problems. In early 1974 demand began to exceed capacity due to shortages, and price of plastics escalated to record levels. Then at the end of 1974, conditions changed suddenly and the industry went into a "tailspin", according to

Babson's, which continued through the first half of this year. However, plastics prices and demand are both improving now.

Babson's thinks that over the next 25 years the plastics industry will have a growth rate superior to that of the general economy. But the economics of the industry are very different now.

The demand for plastics has shown no indications of abating, says Babson's, even with the periodic shortages of raw materials and long-term inflation. The downturn has ended for most major plastics, Babson's believes, and the industry is on the upside. Until the year 2000 the supply of plastic resins is expected to be in balance with demand; however, prices will remain high and climb even further because of rising costs of feedstocks, wages and the prices of plants and equipment.

Supplies of ethylene and propylene — the raw materials used in production of plastics—were very tight in 1974 and continued that way in the early part of 1975. But conditions have eased recently and sizeable capacity expansions are now planned for ethylene and propylene by both major chemical and oil companies for 1976 through 1979.

According to Babson's, polypropylene is the fastest growing thermoplastic in the industry and could replace the number one used thermoplastic, polyethylene. It is used in both consumer and industrial markets and its average annual growth between now and the year 2000 is estimated at 9.8 per cent for polyvinyl chloride.

The chemical-plastics company which Babson's has a buy on is Hercules, Inc. because it thinks the firm's problems are now over and it should have a significant earnings comeback in 1976. Babson's also has a buy on Pennwalt, Borden, and Tenneco, not chemical companies, but firms with major plastics operations. Chemical-plastics companies which Babson's recommends a hold on are Allied Chemical, American Cyanamid, Celanese, Diamond Shamrock, Dow Chemical, Du Pont, Monsanto, Rohm & Haas, Stauffer Chemical, and Union Carbide. Babson's also has a hold on Olin Corp., which has a major plastics operation.

There's a new emphasis on value, assets and income on Wall Street — virtues "which were sorely neglected during the late lamented go-go era," says Indicator Digest. Although banks, mutual funds and other institutions are moving strongly into basic, income producing stocks, ID says there are still some attractive bargains available.

ID has a list of five criteria by which it selects such stocks. It looked for companies which not only had high yields, but which pay their dividends "with plenty of cash to spare." These issues are generally paying out dividends less than half of this year's estimated net income. This makes for a very secure return and opens up the possibility of dividend increases. These stocks also appear to be cheap, on the basis of profits and assets. The highest P-E multiple in the group selected by ID is only seven and the lowest is five. That kind of multiple usually means a company that's "flat on its face," says ID, but these companies are all doing well "and have the earnings to prove it." ID notes that all of them are either in a strong profits rebound or continued earnings uptrend—with the latest quarterly comparisons all favorable.

ID points out that several of these stocks are selling at a fraction of book value, with only one selling above book value. This means, according to ID, that the investor is "buying assets in these cases very productive ones — at a discount."

Colonial Stores, should have a record breaking year in 1975, says ID, with earnings climbing more than \$1 higher than last year's \$2.52 a share to around \$3.60.

The future also looks promising for Dillingham Corp., because of its concentration in the growing Pacific Basin. The firm has major involvements in all types of construction, real estate development and marine transportation in that region.

Greyhound's profits are expected to rise sharply this year to \$1.75 a share from \$1.37 last year, says ID. The firm's new strength comes from its Armour (number two meat packer) division, Armour-Dial personal care business and year-end gains for its transportation system.

Sales of Murphy have climbed to more than \$500 million and the company has closed down marginal stores and opened bigger, more profitable outlets. Earnings should be \$2.60 a share this year.

Dividends at Sola Basic Industries have increased in each of the past three years. The firm has good growth prospects with increasing sales volume and earnings increases over the last six years.

The 0.5 per cent decline in the index of leading indicators in October, after a 0.1 per cent decline in September, has caused much concern, Argus Research Corp. claims. Some think it is a sign that the business recovery is slowing.

Argus points out that the index is supposed to show not what is happening, but what will happen. The current index has had a median lead of four months before business cycle troughs and an eight-month lead for the money supply component. If the recent decline in the index were showing that a downturn would occur around February or later, it would indicate that the recovery lasted less than one year, the shortest recovery on record. Argus doubts that the index is saying anything of the sort.

The index had a massive revision last May, because the old index had been discredited by inflation. The new index "has not yet developed much of a track record," says Argus, "and it is apparently subject to even larger revisions than the old index." In September the old index showed a 0.9 per cent increase, while the new index had a 0.9 per cent decline—which was revised to a 0.1 per cent decline. In October, the new index had a 0.5 per cent decline, which may be revised, and the old index rose 0.8 per cent.

Argus says that when the specific components of the new index are examined it casts further doubt on the significance of the September and October declines. Only four of the 11 available indicators for October declined and the decline in the total index number was dominated, Argus points out, by "the money supply and its broader cousin 'liquid assets.'" To give much importance to the recent decline in leading indicators, Argus says one would have to believe that a couple of months of slow growth in the money supply is enough to abort the recovery.

Argus notes that leading indicators which increased in October included new orders for consumer goods and new orders for plant and equipment. Argus thinks these are much better indicators of real economic activity than "transitory monetary developments."

### Zweig: Most active indicator

The Most Active Stocks (MAS) index is a very useful predictive guide for the stock market, says The Zweig Forecast, at 747 Third Avenue, New York, N.Y. The MAS index is figured by subtracting the number of declining stocks among the 20 most active of the week, from the number that advance. A three-week total of the differences is then monitored.

Should twelve stocks rise and five decline with three remaining unchanged, the weekly count would be +7. After a significant market decline — Zweig — uses 10 per cent as a yardstick the MAS count must be watched carefully when the market next rallies. If it is a legitimate upswing, says Zweig, the MAS count on a three-week basis should reach +30 or more within 15 weeks after the market bottoms — and preferably within 10 weeks. If the rally is likely to fail, the MAS count should not go any higher than +29.

This is because the MAS represents "big money accumulation or distribution," says Zweig. And if these issues cannot rise significantly, the durability of the rally "is rather questionable." The real value of the MAS, Zweig observes, is in pointing out the "doomed" rallies which come up in bear markets or in extended intermediate declines. Within the past 10 years there have been 15 such previous rallies of 5 per cent or more. In not one case did the MAS index strike 30 within 15 weeks of the bottom—and each time the rally failed. From the tops of these rallies, Zweig points out, the Dow eventually plummeted an average of 24.4 per cent to its next bottom.

The Dow found "a temporary low," according to Zweig, at 784 on October 1, after falling 11.1 per cent from the July 15 top. It has climbed as high recently as 861 on November 28, a 9.8 per cent rise. During the nine weeks since the last low, the MAS three-week count has been only 26, Zweig observes. When the Dow reached 861, the MAS score was only +7. "There's still time for the MAS index to do its thing," Zweig says, but it won't do it within 10 weeks, which is already a poor sign, Zweig notes. By the first week in January, it will be clear "whether another 'failure' is in the cards," Zweig says. If it happens, as is likely, "watch out down below," Zweig warns, the Dow could go down to 651, if the average past decline of 24.4 per cent holds true again.

### The Advisor: Still bullish Blyuth

The Advisor believes that the recent, sudden plunge of the stock market, which it still thinks is only a temporary aberration in a bull market, was caused by many institutions, along with some individual investors, who "looked at the flying wedge in the Dow and at all the same 'secret' indicators and decided that a move out of stocks on the news that NYC was saved, which, coincidentally, was near the high of 1975, could not be prudently criticized."

The reasons included the fact that institutional commissions are not as great as they used to be, all portfolios have tax loss carryforwards and "it's not their money, anyway," The Advisor notes.

The Advisor believes there are certain fundamentals that should be considered, which point to a resurgence of the Dow. Estimates indicate the Dow will earn between \$90 and \$100 next year. If it earns somewhere around \$92, and some of the economic problems of 1975 are relieved, The Advisor thinks that a multiple of 10 to 11 times earnings for the Dow would not be exorbitant for 1976, which means that the Dow could climb to between 920 and 1,012 during the first half of next year.

The Advisor is also bothered by the very quick change — from bulls to bears — undergone by most market letter writers during the last couple of weeks. The Advisor says it is "somewhat skeptical about the reliability of what everyone knows about everything in a market as subject to news as this one."

Therefore, the Advisor is still bullish and will keep on buying the depressed prices of shares of good companies on any setbacks. "As for the experts who pulled the plug," The Advisor declares, "they better be sure this market is going to collapse... otherwise, they will have once again, as they did on October 1, secured the portals long after the departure of the equines."

### Value Line: Harris Corp.

The shares of Harris Corp., an electronic communications products manufacturer, are good for investors who are willing to assume a moderate degree of risk, according to The Value Line Investment Survey.

The stock has advanced significantly in market price over the past three months, but Value Line says it still has wide potential for price appreciation over the period to 1978-1980, provided earnings continue to improve, as Value Line believes they will, and that the shares are capitalized at a multiple more in keeping with past norms than at present.

Value Line thinks Harris shares "will turn in a sparkling performance," in the coming year. It notes that Harris management must agree because the firm recently reacquired 57,600 of its shares.

Over the last few years Harris has shifted emphasis from printing equipment to electronic systems. Electronics products brought in 67 per cent of sales and 64 per cent of net earnings in fiscal 1975. The electronic business is in two lines — commercial products and U.S. government systems.

Commercial electronics products comprised about 36 per cent of total volume last year on continuing operations. Sales and earnings from this sector have increased at a compound annual rate of 28 per cent since 1971, Value Line points out.

As of June 30 Harris' backlog of unfilled orders totaled \$240 million. The backlog may be even higher now, and since most of these orders will be filled in the current fiscal year, this indicates a strong year for the firm, Value Line notes. The best product lines at the present include two-way radio systems, electronics editing systems, earth-based stations for satellite communications and medium-sized computers.

Harris' earnings of \$9.6 a share in the September quarter were 60 per cent higher than those of last year and were a company record. Value Line is optimistic about Harris' prospects for 1976 and estimates earnings may reach the level of \$3.80 a share, compares with \$3.16 a share from continuing operations in fiscal 1975.

### ID: Good value

### Argus: Misleading indicators

# Financial News Digest

IN MINUTES — What other financial publications are covering that you should know.

## What the Digest is . . .

The Financial News Digest is a weekly feature edited by Richard D. Moran

Each week important articles in business and finance appearing in other selected publications are condensed for you.

All publicly-traded companies' names appear in bold. The name of the publication and the number of the page on which the story appears follows each condensed story.

The Financial News Digest condenses:

**Weekly:**

- Barron's
- Business Week
- The Economist
- The Financial Post
- Newsweek
- Time
- U.S. News & World Report

**Semi-Monthly:**

- Forbes

**Monthly:**

- Fortune
- Institutional Investor

**Every two months:**

- Harvard Business Review

## Digest briefs

### Barron's

Issue of December 15

#### Petrodollar haul

While some companies are making it big in the petrodollar market, **Hamischfeger** may be counted among those who are making it bigger. Manufacturer of power cranes, power shovels and lots of other construction and mining equipment, the Brookfield Wisconsin firm derives more than a third of its revenues overseas and the Middle East is probably its biggest offshore market these days.

The results have been salutary. Backlog (to October '75) stood at \$278 million as against \$239 million at the same time in 1974 and '75 net took off like a shot, going to a record \$6.45 a share from \$3.59 the previous year. The current fiscal will see no backtracking. There's a substantially large number of shares now outstanding due to an offering last summer so achievement of a net above the \$6 level, as some are predicting, would be quite an accomplishment indeed.

[Barron's, p. 56]

#### Simplicity's new pattern

Among the fallen "growth" angels, there are few that fell faster or harder than **Simplicity Pattern**. As late as late 1973, the princess of home sewing was selling at well over \$60. Somewhere about the bottom of last year's dip the price was \$6.25. It's now back up around \$14 and those who have been watching the company say things are looking good again.

What Simplicity proved in dropping to a 60 cent a share net in fiscal '75 (ended January) from \$1.16 the previous year is that even the best growth companies stop growing sometimes. Nothing exotic about the reasons. Heavier competition, market changes, overextended inventories and a strike all helped. But now the strike is over and home sewing is very much back in favor (skirts, blouses and dresses are getting a play and ready-to-wear prices are up) and Simplicity should do better than \$1 a share this year. '76 predictions range up to \$1.20 and everybody loves Simplicity's balance sheet—no long-term debt and cash items more than three times liabilities.

[Barron's p. 55]

#### Championship season

As things currently shape up, **Champion Products**, which produces athletic uniforms,

physical education and other sports and leisure time apparel, will probably match last year's record net of \$2.69 a share. At worst, it should fall only a few pennies short. That's pretty good, considering that the firm, which also runs nine factory outlet stores, had to make up for some \$4.5 million in private label losses this year.

The picture for '76 looks much brighter. A key factor is Champion's winning contest for rights to Olympic Games sweatshirts and other paraphernalia. There will also be some sporty new lines introduced. In all, analysts are looking for a 5 to 10 per cent lift in net for the bicentennial year.

[Barron's, p. 56]

#### Ray of hope

In current negotiations with Paris over the proposed surrender of 30 per cent of its 45 per cent holding in **Framatone**, the French nuclear power company, to the French Atomic Energy Commission, **Westinghouse Electric** may find a way to get off the schneid with U.S. utility customers who are suing for contractual defaults involving the supply of uranium at pre-inflationary prices. The French, you see, are offering to compensate Westinghouse not in cash but in uranium futures.

Futures is the operative word because Paris isn't about to surrender ore from its existing stocks. What it proposes to do is make the U.S. company a partner in some new African mines. Westinghouse would be credited with some \$30 million for 30 per cent of Framatone's stock but would have to invest the money in French Government-owned uranium leases. As an inducement, Framatone, which uses Westinghouse licenses, would get \$1.35 billion in orders for nuclear power stations from **Electricite de France**.

[Barron's p. 4]

#### Asian dollars

The Eurodollar market is now known to one and all. But there is also a less well known Asia dollar mart and lately it's begun to toot its own horn. It recently welcomed its first non-Asian borrower when European Investment Bank sold \$20 million in six-year bonds through a Singapore syndicate. The lead manager was **Indo-Suez** and **Morgan Grenfell**, a joint subsidiary of **Morgan Grenfell & Co.** and **Banque de l'Indochine et de Suez**. The bonds will be listed in Singapore and Hong Kong.

Like Eurodollars, Asia dollars are non-resident funds handled by international bankers. EIB's oriental debut is expected to give the Asia dollar market a prestigious lift, just as the introduction of Eurobonds by Wall Street underwriters brought needed sophistication, disclosure and orderly dealing to the European bond business.

[Barron's, p. 4]

#### Page one

Nobody will be crying over **Booth Newspapers'** earnings this year, despite lower revenues and a reduction in ad linage. Bottom line net for 1975 should read \$2.70 a share or thereabouts, compared with \$2.56 (including a five-cent non-recurring item) the previous year. The sale of a television station produced a third quarter gain of 14 cents, but that's not included in the \$2.70 estimate. The really bullish news has been provided by the success of Booth's Sunday supplement, **Parade**, and some belt tightening and new equipment. Coming up next year, in the view of some observers, will be a 10 per cent advance in net.

[Barron's, p. 56]

#### Sound of money

List high among the comeback candidates for '75 **Soundesign**, which makes its money selling radios and stereo equipment, the better part of it imported from the Far East, to department and discount stores. Soundesign, which includes **Kresge's K-Mart** as its biggest customer, took an earnings dive down to 48 cents a share in '74 from a record \$2.32 the previous year. Blame the recession and an inevitable shakeout in an overcrowded field. With the budding recovery has come a more positive consumer buying mood, less competition and less merchandise being dumped on the market at knock-down prices. So, '75 looks like an upswing year for Soundesign with

earnings coming in at \$1.50 to \$1.55 a share. As for '76, only the Shadow knows, but best estimates put both sales and earnings at an upward 25 per cent or better level.

[Barron's, p. 56]

#### Centrifugal force

A decline in backlog isn't always bad news. Take **Wisconsin Centrifugal**, a manufacturer of centrifugal castings. Here's an outfit that deliberately turned down some business because previous order levels were simply unwieldy. If anything, the pause will be refreshing in terms of earnings. A new casting subsidiary that formerly served only one customer, **Caterpillar**, is now doing business with half a dozen, including the non-automotive divisions of **General Motors**—and it's doing it more profitably. So, Wisconsin Centrifugal's earnings for '76 (ending March 31) could well come in at over \$4 a share compared to \$3 in '75.

[Barron's, p. 56]

#### Treasure hunt

**Shell Oil**, the 69 per cent-owned U.S. affiliate of **Royal Dutch-Shell**, has a new president, but what Shell really needs is more oil. Production at the nation's seventh largest company has been on the decline since 1972 and the new head man, drawing Louisiana John F. Bookout estimates that this year's output will be 6 per cent below 1974's level.

Right now Shell is living on its laurels. It's the biggest producer in the Gulf of Mexico and because of past exploration success, it derives 66 per cent of its product from wells developed prior to 1973. That makes Shell the biggest buyer of entitlements, which are the refining rights the government issues to equalize crude costs among all U.S. refiners. The loss of the depletion allowance hit Shell to the tune of \$130 million and a consequent cut in exploration funds could hinder the company's plans to develop its big Cognac field in the Gulf (42.8 per cent interest) which could eventually yield 35,000 barrels a day.

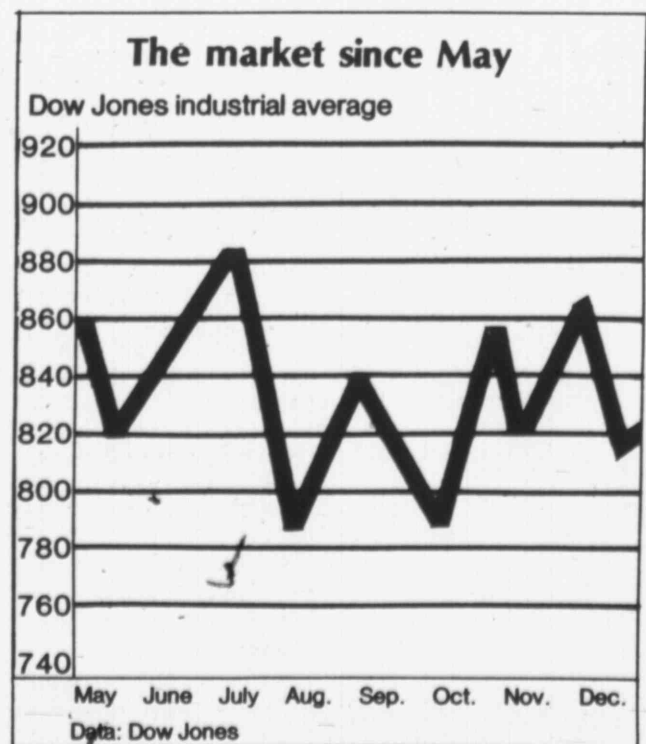
[Barron's, p. 19]

### Business Week

Issue of December 22

#### The indecisive Dow

There was a lot of hope on the Street that any announcement of federal aid to Gotham would propogate a rash of buying, but the old adage "buy on the rumour, sell on the news" appears to have been proved sound. The President's announcement of federal aid to NYC was not enough to prevent the Dow from plunging 42 points between November 28 and



December 5, and the most pressing question in the minds of most Dow-watchers is that of interest rates. Chief economist Tilford Gaines of **Manufacturers Hanover Trust** predicts the prime

Continued on the next page

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could climb back up to eight per cent by the second or third week of January, and rise to a bearish nine per cent by the middle of '76. Gaines points out that last year business was busily paying off its debt, but that next year it will be in the market for money, "which could produce a prime even higher than nine per cent."

[Business Week, p. 12]

## Tinplate prices rise

The announcement by **U.S. Steel Corp.** and **Jones & Laughlin Steel Corp.** (a subsidiary of **LTV Corp.**) of an eight per cent hike in tinplate prices, effective as of early January, seems likely to make similar price hikes announced by **National Steel Corp.** stick. This would appear to be good news for the tinplate producers and bad news for the canning industry, but the announcement is likely to spur a rash of inventory accumulation by tinplate customers seeking to avoid the higher prices. "We will try to stock up as much tinplate as we can before the price goes up," says Judd H. Alexander, senior vice-president of **American Can Co.** With tinplate more expensive, such products as steel, aluminum, glass and plastics will be strong contenders for a piece of the container market.

[Business Week, p. 19]

## Removing the clock

Where statutes are concerned, the 1945 McCarran-Ferguson Act gets something less than instant recognition, but despite its relative obscurity it's the very important law Congress passed over the head of the Supreme Court to give the insurance industry immunity from the Sherman Antitrust Act, leaving regulation up to the states. Now there's a move afoot in the Justice Department to remove the cloak and open the industry to more competition in terms of rates and policies.

Reaction ranges from the outright enthusiasm of **State Farm Insurance** to the measured response of **Life Insurance Co. of Virginia** to the outright hostility of **Liberty Mutual** and **Allstate**. Already 17 states allow companies to set their own rates and competition is brisk and State Farm thinks dumping McCarran would "eliminate the bureaucratic process involved in state regulation." Others fear ending immunity would make information sharing in setting premium rates illegal as well as the sharing of such major risks as nuclear power plants.

[Business Week, p. 16]

## White on white

For the second time in five years, **White Consolidated Industries** is making a play to acquire **White Motor Corp.**, the money-losing (\$53 million in the first nine months) builder of trucks. In 1970 a similar effort by White Consolidated was resolutely slapped down by the Justice Department.

In this go-round White Consolidated Chairman Edward Reddig and his opposite number at White Motor, Semon E. Knudsen, have agreed on an exchange of shares. It remains for the two companies' directors and stockholders and Justice to approve. Some of White Consolidated's big institutional holders don't like the deal. They think the company has more than enough on its plate in trying to digest an earlier acquisition of **Westinghouse's** domestic appliance operations. They also feel the proposed new merger would strain the survivor's financial and management resources.

[Business Week, p. 22]

## Split-up

Nashville-based **Hospital Affiliates International**, which both owns and manages hospitals, will soon be split into a new equity trust and a new management company, if HAI president Jack R. Anderson has his way. Anderson's objective is simple: to pay the shareholders (most importantly the founders who still own a third of the stock) a fat return while further strengthening the directors' grip, even to the point of making HAI a private

company again.

The trust would assume ownership of HAI's assets and liabilities, including 19 proprietary hospitals. These would be leased to **American Medicorp Inc.** for a net annual \$6.2 million. The company's receivables and goodwill connected with its 44 management contracts would be sold to the management company for an interest-bearing note. As long as it paid out 90 per cent of its income as dividends, the trust's income would be tax exempt. Shareholders would get one share of beneficial interest in the trust for each HAI share held and a warrant to buy stock in the new management company at \$1 a share.

[Business Week, p. 21]

## No toying around

For the nation's toymakers, Christmas 1975 is all over but the celebrating. And from all indications there'll be plenty to celebrate about. The Toy Manufacturers Association sees sales on a 7 to 10 per cent incline this year as opposed to last when warehouses bulged with recession-ignored merchandise. Both **Ideal Toy** and **Gabriel Industries** are predicting record sales and earnings and **Kenner Products**, manufacturer of the toy version of **ABC TV's** Six Million Dollar Man, finds it hasn't made enough of them to satisfy demand.

The store-level perspective is no less bullish. **Target Stores** in Minneapolis reports that toy sales are up 15 per cent and more important, the trend is toward higher ticket items. **Zody's**, the Los Angeles chain, is looking for a 30 per cent gain. The trend is toward home games like air hockey and bumper pool, but the staples are not neglected—with a twist. "Dolls do everything today—almost," declares one toy executive, "and that's coming."

[Business Week, p. 13]

## White whale

Pity the poor **Glomar Explorer**—she's become the albatross of the briny deep. The General Services Administration has been called in to try to find a buyer for \$125 million Howard Hughes mystery ship, once covertly owned by the CIA. Neither Hughes' **Summa Corp.** which fronted for the CIA as owner, nor **Lockheed's** Missiles & Space Co., whose HMB-1 barged worked with the ship will admit to any proprietary interest and since midsummer the ship has been in dock at Long Beach, Calif.

The **Glomar Explorer** looks like a natural for ocean mining and indeed such as **Tenneco**, **International Nickel Co. of Canada** and **Kennecott Copper** have all been aboard to look her over. There's no dearth of enthusiasm. "There isn't a company that wouldn't like to have the ship," declares a Tenneco man. The problem is operational cost—\$13 to \$22 million a year—and unless GSA can find somebody ready to assume it the **Glomar Explorer** may have to go into mothballs.

[Business Week, p. 21]

## Zweig bearish

Martin E. Zweig, editor of the **Zweig Forecast** with a circulation of some 3,000 investors, is the champion of the "contrary theory"—the presumption that the investing public (including the institutions) are usually wrong. "When investor expectations get significantly one-sided in historical terms," says Zweig, "I go the other way. He is currently expecting the market to drop 20 per cent from its November 28 peak of 861 to around the upper 600s within the next two to four months."

"I wouldn't be surprised if we went into a recession or even a depression next year," he reveals. "So what if corporate earnings go up? There is debt all over the place, and the economy cannot expand the way it has." Zweig believes that the Dow is currently "grossly overvalued on a fundamental basis," and is actually worth about 550 based on the indicators on which he bases his advice. Zweig says that when the ratio of public (non-specialist) short sales to total sales falls significantly below its average of 22 to 24 per cent, the public is bullish and he turns bearish.

[Business Week, p. 36]

## Utilities generate interest

Back in the sixties and early seventies most individual and institutional investors spurned the utilities for more growth-oriented companies, but this year the utilities are being bought as defensive stocks for a period of moderate economic expansion. Projections of lower interest rates and reduced inflation augur well for the capital-intensive utilities, and another possible boon is cheaper fuel oil prices.

In addition, state regulatory agencies are loosening up on rate hikes and permitting greater return on equity.

Goldman, Sachs analyst Ernest Liu estimates that utilities' earnings climbed eight to nine per cent this year, and is projecting an additional seven per cent rise next year. Liu likes **Public Service Co. of Indiana**, **Wisconsin Electric Power**, and **Northern States Power**. Stephen M. Bynum, executive vice president of **Financial Programs Inc.** (a mutual fund management company) likes such oil-burning utilities as **Long Island Lighting Co.** and **New England Electric System**.

[Business Week, p. 36]

## Controversial NYC solution

The moratorium placed upon the repayment of NYC's notes and a bill permitting local government to file for bankruptcy without consulting bondholders has created an uproar among municipal bond underwriters and analysts. The constitutionality of the moratorium is being challenged in a NYS Supreme Court and the case may end up in the U.S. Supreme Court. Critics of the moratorium and bankruptcy bill claim they will render municipal bonds less secure in the minds of investors. "There will be something between you and the payment of your money," notes Brenton W. Harries, president of **Standard & Poor's Corp.**

Of \$220 billion of outstanding municipal securities, some \$140 billion are general obligation debts backed by the issuer's power to raise taxes to pay debts. "With this bill," says Harrier, "the local government can simply declare bankruptcy and a court will decide who gets paid what." Bernard Jump, professor of economics at Syracuse University, adds that, "The municipal borrowers will certainly have to pay more interest to investors."

[Business Week, p. 37]

## The Economist

Issue of December 19

### Inflation: question mark for '76

The outlook of most economists for next year is what might be described as "moderately rosy," but almost every forecaster is issuing his predictions with the ominous condition that, if inflation rises into the double-digits, all bets are off. "I am fairly optimistic," says Alan Greenspan, chairman of the Council of Economic Advisers, "Provided inflation doesn't hit us again." Actually, the inflation outlook also appears good, as adequate crops should reduce the hike in food prices (despite large exports to Russia), and the prices of grain futures are down. Whatever happens on the energy front, fuel prices are not expected to soar, and a lifting of the \$2 a barrel fee on imported oil would brighten the outlook further.

Over the last 12 months, wholesale industrial prices have climbed a bit over five per cent and, although prices of steel, aluminum and chemicals have generated concern, they don't appear capable of fueling double-digit inflation. Wages are increasing at a rate of under 10 per cent a year, and productivity has continued to rise with the climb in industrial output. Although predictions of the inflation rate have frequently been way off, economists are generally looking for a rate of between five and six per cent for '76.

[The Economist, p. 75]

### Selling on the news

It's interesting to look back over the last few years at the reaction of the stock market to events which presumably constituted "good news." In early 1973, when the Vietnam Peace Agreement was signed, the S&P's Composite took a quick dip of a point; President Nixon's resignation in the summer of '74 initiated a plunge of some five points over the course of about one week; and the market is apparently still attempting to recover from the "welcome news" of President Ford's aid program for New York City. "Buy on the rumour and sell on the news," say the Wall Street prophets, and the large institutions (which now account for 60 per cent of public trading on the Big Board) apparently do just that.

[The Economist, p. 105]

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## Financial Post

Issue of December 12

### Go south

It is to the U.S., where recovery in both stocks and dollars seems a reality, that Canadian analysts are directing most north of the border investment portfolios. For investments such as pension funds which are restricted to Canada, the consensus seems to be to put the bulk of the funds into mortgages, up to five-year bonds or other debt instruments.

Many analysts are advising that Canadian equity content be limited to utilities with yields in the 8 per cent range, some good junior growth stocks and stock with a large non-domestic content. Some of the favorites among the latter are **Moore Corp.**, **Seagram Co.** and **Hiram Walker**. Finally, there is a broad and growing number of analysts and portfolio managers who are simply advising clients to stay out of the Canadian market entirely.

[The Financial Post, p. 23]

## Forbes

### Managing earnings

Unlike most other automotive parts companies, which did poorly over fiscal 1975, **Dana Corporation** added 6 cents a share to the \$4.20 it reported in fiscal '74 — equivalent to a 15 per cent return on equity. The reason for up earnings in a down season is what might be called "managed earnings." "What we've done, in effect, is transfer earnings," says Stanley Gustafson, Dana's chief financial officer. "For example, in 1974 when our earnings were good and prices were going up, we price-hedged by buying a lot of inventory. We could have put that money into commercial paper, but that would have shown up in 1974 earnings. Then in 1975 we ran down our inventories and took advantage of their low cost." Gustafson says that the company reduced capital spending some \$21 million in '75, and put the funds into commercial paper. "These financial techniques," says Gustafson, "added about 10 per cent to our 1975 earnings."

[Forbes, p. 44]

### Quotas on stainless imports?

Early next year Washington will decide if quotas should be slapped on to stainless steel imports, and William Knoell, president of Pittsburgh's **Cyclops Corp.** claims that "what's at stake is whether it's possible for the U.S. to continue as an island of free enterprise in a world going the other way." Knoell, along with 18 other specialty steel firms, wants mandatory quotas on imports, and the industry claims that without such import restrictions it will be severely disadvantaged relative to foreign producers.

The foreigners share of the U.S. market has jumped from 10.5 per cent in 1974 to 18.6 per cent in the first eight months of 1975. Imports now account for 30 per cent of the tool steel market and two-thirds of the wire rods market. "We face a never-ending, no-win battle," says **Allegheny Ludlum Steel Corp.** president Richard Simmons. The federal government will consider the steelmen's request seriously, but shall also weigh the disadvantages of subsequent restrictions imposed by foreign procedures.

[Forbes, p. 48]

### Don't believe it

Rumour has it that **Honeywell Inc.**, the world's second-largest computer company in terms of installed base value, will soon join **RCA**, **Xerox**, and **General Electric** amongst the ranks of firms which have thrown in the computer-towel to giant **IBM**. But Honeywell is saying it will stay the course, and has committed sufficient capital to lend credence to the claim. In May, Honeywell announced its intention to merge with French computer subsidiary, **Honeywell-Bull** into a company known as **CI**. The deal should swell the Honeywell tills by some \$60 million in cash, and enable it to

simultaneously retain 47 per cent of the new and potentially profitable company. In another commitment last August, Honeywell entered into a joint venture with **Control Data** known as **Magnetic Peripherals**. The company will design and produce disc drives, drums, controllers and the like for parent companies.

[Forbes, p. 36]

### What's ahead for Grumman

**Grumman Corporation**, which with projected 1975 earnings of \$3.50 a share will be in its best profit position since 1966, has a decidedly uncertain future. The Ford Administration has opted to halt production next year on the company's E2C warning plane and its A6E attack aircraft. The Senate voted last month to fund a Navy purchase of **McDonnell Douglas'** F-18 fighter, which renders prospects bleak for F-14 orders after 1981. Grumman officials have responded with F-14 sales pitches to Canada, Japan, Australia and West Germany, and are trying to sell the Navy on a new VTOL (vertical-takeoff-and-landing) aircraft to replace helicopters.

[Forbes, p. 58]

### Can't beat it, buy it

With all the talk nowadays (and the research reports to back it up) that it is simply impossible to beat a market's random walk, the "indexed" or "market" funds that "buy the market" rather than try to outperform it are receiving a lot of publicity. Two Chicago Law School professors contend that the indexed funds are the only realistic ones, considering that institutional investors consistently underperform the market averages. John Langbein and Richard Posner point out that the institutions must shell out huge sums for transaction costs (commissions and unfavorable big-block spreads) and research expenses.

As the indexed funds simply buy representative stocks, say Langbein and Posner, they have minimal stockpiling and research costs, and hardly any turnover or transaction costs. They go so far as to contend, in an upcoming article in the *American Bar Foundation Research Journal*, that courts may rule that fiduciaries failing to use indexed funds are not prudent.

[Forbes, p. 66]

### Unusual paper loss

As **CNA Financial Corp.** is currently involved in eight class-action suits charging it with publishing false and misleading financial statements for the years 1969 through 1974, some eyebrows were raised when the work papers of auditor **Peat, Marwick, Mitchell & Co.** were sent by a janitor of the CNA headquarters to the city dump. Seems that the papers, which contained auditing figures for the years 1973 and 1974, had been locked up by the auditors in a cabinet which (to their unknowing chagrin) was marked surplus. As there's been a change of management at CNA, many of the cabinets were being shipped out, and the janitor simply pried the lock off the cabinet, sent the contents off to the dump, and removed the cabinet. "It was not done intentionally by anybody with any responsibility for the conduct of the case," says CNA's chief counsel.

[Forbes, p. 20]

### If at first...

Richard A. Young, who four years ago was fired by a red-ink bleeding **American Zinc**, has been named chief executive of the \$610 million sales **Bemis Company** of Minneapolis, and if Lady Luck scorned Young in 1970 she is smiling upon him in '75. Bemis had asked Board member Young to become president in 1971, and the manufacturer of packaging, adhesives and textiles has posted a 62 per cent sales gain between 1971 and '75. The greater cash flow enabled Young to convert Bemis' heavy short-term debt into long-term debt via a \$31 million private placement early last year. "The results were fantastic," enthuses Young. After a 74 per cent earnings drop over the first half, Bemis' third quarter earnings bounced back to 1973 levels.

[Forbes, p. 27]

### Hooper bullish for '76

Forbes market commentator L.O. Hooper notes that the consolidating correction which occurred this summer following the strong bull market of the previous months erased only about 30 per cent of the gain, and that traditionally such corrections wipe out at least half of the rise. "At the moment," says Hooper, "it seems entirely possible that the Dow will hit or slightly exceed 900 by the end of the month." Hooper notes that stocks decline before the economy begins to crumble, and rise before the economy begins to recover. The earnings for the 30<sup>th</sup> DJI companies climbed to a record \$99.07 a share last year, and have plunged to around \$76.75 in 1975.

Hooper points out that institutional money is, on balance, going into bonds rather than stocks, and of those stocks bought the blue chips are being favored over the glimmers. The institutions—banks, mutual funds, pension funds and insurance companies—have also been bullish on electric utilities, IBM, and the international oils. Individual investors (who are believed to own 65 to 70 per cent of the market value of all common stocks) appear interested in safety and income.

[Forbes, p. 70]

### Don't expect too much

"It is a safe prediction that 1976 will not be that good," says Forbes market analyst Heinz H. Biel, who points out that a multihundred jump in the Dow is possible but improbable, and a 50 per cent rise is even more unlikely. Biel notes that the shudder days of last December, when the Dow bottomed-out at 577.60, are well behind and expects the 1976 high to top the 1975 high (thus far) of 882. He notes that in 12 of the last 19 election years, the high in the DJI was registered in November or December, in other words after the election. Unlike last December, Biel emphasizes, the fundamental base of the market is strong and should continue to be so. Corporate profits, dividends, and the overall economic situation should improve. Biel likes **R.R. Donnelley & Sons**, **General Signal**, **Hamischfeger**, **Brockway Glass** and **Royal Dutch Petroleum**.

[Business Week, p. 72]

### Diversification remains the key

Market analyst Walter Oeschle contends that the worldwide bull market, which began in a big way back in late '74, still "has a long way to go, both in time and magnitude." Oeschle doesn't see the market posting a serious decline until well into the second half of 1976, and perhaps not until 1977. He feels that most stocks are fairly valued right now, but that the most important factors governing decision-making for a '76 portfolio are selectivity and diversification. Not a follower of the philosophy that the investor should be content to shop at home, Oeschle's recommendations include the following countries and stocks: Japan—**Maradui Food**, **Olympus Optical** and **Hitachi**; Holland—**Philips Lamp** and **Unilever**; Germany—**Bayer** and **Mannesmann**; Australia—**MIM** and **Western Mining**.

[Forbes, p. 74]

## Institutional Investor

December Issue

### Rating the raters

There are a couple of new trader-rating services being offered to institutions, but the validity of the criteria used by the services to evaluate the efficacy of traders are being questioned by their potential customers. The two systems which have received the most attention—**Seward Securities' Execumeasure** and **Aminvest's Trade-Trac**—attempt to evaluate the degree of difficulty of a trade before rating the efficiency of the trader. Trade-Trac concentrates primarily on the liquidity of the issue, while Execumeasure considers the size of the order and the degree of institutional participation. Critics of the rating services say there are many factors which are not adequately considered (such as the orders given a trader-broker by a portfolio manager), and that such services will have to prove their usefulness before becoming widely utilized.

[Institutional Investor, p. 65]

### Plugging into appliances

Just to prove once again how adroit one must be to make money in the market, consider

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the appliance stocks which have posted strong gains since January despite a continued slump in housing starts and a lackluster rise in consumer disposable income. How did this happen? Well, one answer is that everything goes up in a strong bull market, and another is that the appliance companies have been widening margins by cutting costs and increasing prices. Thus, despite a sharp drop in unit shipments, the earnings were better than expected and the prices jumped. Many analysts feel that, as housing starts and disposable income should go up, the stocks still have a long way to go. Frequently seen on "buy" lists are **Whirlpool, Maytag and White Consolidated**. Some analysts caution that the time to buy has passed; the question now is when to sell.

[Institutional Investor, p. 119]

## Pension shifts favor insurers

An Institutional Investor survey of 350 large corporate pension funds (with total assets of \$97 billion) revealed that only 25.5 per cent had added a new manager during the year ended September 30, 1975, with the insurance companies picking up most of the new business. Last year, in excess of 30 per cent of a similar sample of companies indicated an addition of a new manager, with 19 per cent of the funds firing managers last year as contrasted with 17.7 per cent in '75. Besides such insurers as **Equitable Life Assurance Society and Travelers Insurance Co.**, market-timers (such as **National Investment Services of America**) and bond managers (including **Brown Brothers Harriman**) benefitted from the conservative investment approach of the funds.

[Institutional Investor, p. 82]

## Dreams come true

"Every good corporation tries to establish good relations with institutions," notes James Abernathy, investor relations chief for **American Broadcasting**, "and it would be the investor relations man's dream come true if he could talk with every money manager in the country." Perhaps some dreams are coming true these days, as companies with more aggressive investor relations programs take their case directly to the research departments of major New York banks. Dexter Earle, first vice president in charge of the employee benefit division of **Bankers Trust Co.**, says that corporations should strengthen relations with research departments of major trust banks not only because of the banks' impact on the company's stock price, but because bank analysts "represent research departments selling their product to other banks—in the U.S. and around the world."

[Institutional Investor, p. 105]

## Travelers' solo journey

At most large institutions, the money manager is still the man in the spotlight; being fed information by analysts and using such data in his portfolio decision-making processes. A less individualistic approach has been adopted by some large banks, which utilize a research department operating within the context of an investment committee to draw up approved lists which are then supplied to the manager. At **The Travelers Insurance Company**, however, the analyst and manager are the same person, and a team of 20 professionals research and exchange information which is ultimately fed to a director of portfolio management.

The director consults with various group heads, the essence of the team analyses emerges and, according to Travelers vice president Arthur Frank, "the actual stock selection just falls into place." Frank's analystmanagers are handling 21 separate and aggregate pension fund accounts, with total assets of \$480 million, as well as the company's own \$180 million of corporate assets.

[Institutional Investor, p. 107]

## An uncanny approach

When William Strong took over the \$340 million pension fund of **Continental Can** back in

1968, he felt that the two banks which were handling the fund—**Chase and Morgan**—offered an inadequate range of investment philosophy. Today, in addition to the banks, the fund is divided up between six growth-stock-oriented managers (**Alliance Capital; Faulkner, Dawkins; Jennison; Newcourt; Stein Roe & Farnham; David L. Babson**), a manager for fixed-income securities (**BA Investment Management**), and a company seeking propitiously-timed investments (**Century Capital**). The fund is presently 30 per cent fixed-income, 70 per cent equities, and Strong feels the higher yields offered by stocks justify such a commitment. "For the nine months ended June 1975," says Strong, "one adviser was up 70 per cent and for the first six months of the year, our equities were up 43 per cent."

[Institutional Investor, p. 95]

## Newsweek

Issue of December 22

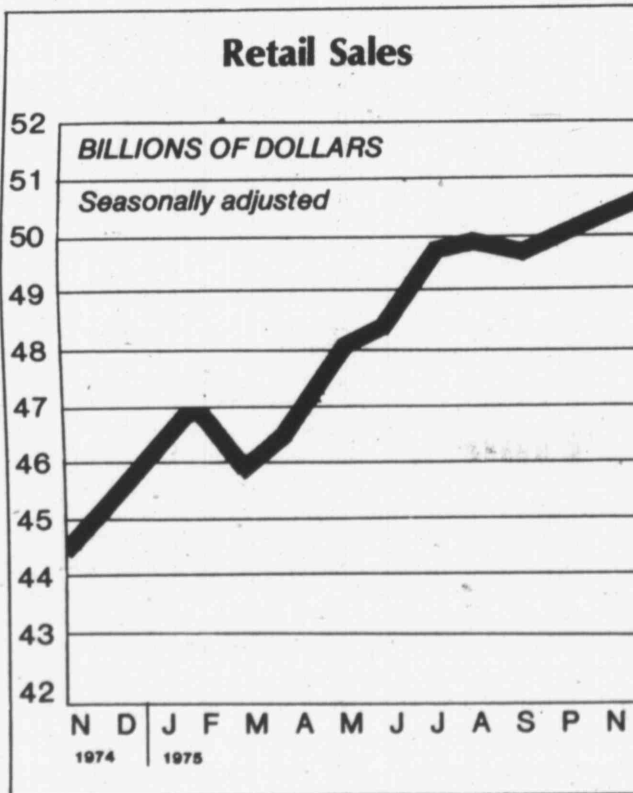
### Investors abandon Exchange

Apparently, the ups and downs (mostly downs) of the stock market have been too much for many investors, and the latest figures released by the NYSE reveal that 25.2 million individuals are owners of common stock—an 18.3 per cent plunge from five years ago. In the "good ole days" between 1952 and 1970, the number of Americans holding common stock or mutual fund shares jumped from 6.5 million to a startling 31 million. In addition to grizzly bear markets, another deterring factor has been the suspicion amongst individual investors that institutions use their clout to manipulate the market. Institutional sales that cause one-day plunges have hardly served to allay the suspicion, and many investors seem to feel the odds are better in Las Vegas than on the Street.

[Newsweek, p. 55]

### Retail sales look good

This Christmas season has been viewed by many economists as a harbinger of things to come, and so far retail sales have been



strong—running some 14 per cent ahead of last year's dismal pace. Retail sales climbed more than \$500 million during November to a seasonally adjusted total of \$50.7 billion, which would appear to indicate that the recovery is continuing more-or-less as anticipated. In light of recent action, retailers are predicting a strong Christmas rush.

[Newsweek, p. 57]

## Time

Issue of December 22

### On the mend?

Is recession-racked Europe seeing some light at the end of the tunnel? A report from four key countries offers more than a nibble or two of hope. In West Germany, exports this year have moved to near record levels and domestic car sales could touch the 2.1 million unit peak scaled in 1972. But unemployment is above a million and may get worse. In France, the government is predicting a 4.7 per cent GNP hike in '76 and a lowering of the present 12 per cent inflation rate to a manageable 7.5 per cent.

Consumers are also in a buying mood and manufacturers are stepping up inventories. In Italy, auto sales have sharply improved but overall industrial output is still down 12 per cent and 1.2 million people are unemployed. There's also a fear of excessive wage demands and strikes. In Britain, unemployment has hit 1.25 million, but Prime Minister Wilson's pact with the unions will hold wage increases to \$12 a week and should reduce 1975's staggering 25 per cent inflation rate.

[Time, p. 61]

## USN&WR

Issue of December 22

### Vying for No. 3

If you believe **General Motors** Chairman Thomas A. Murphy, 1976 will be the third biggest year in Detroit's history with sales of 10.25 million new cars. **Ford** obviously believes him because together with GM it will assemble 50,000 more units over the next three months than originally planned. This should top October December production by a fat 12 per cent. That ought to mean recall of the better part of those 66,000 hourly auto workers furloughed after a two-year car building depression.

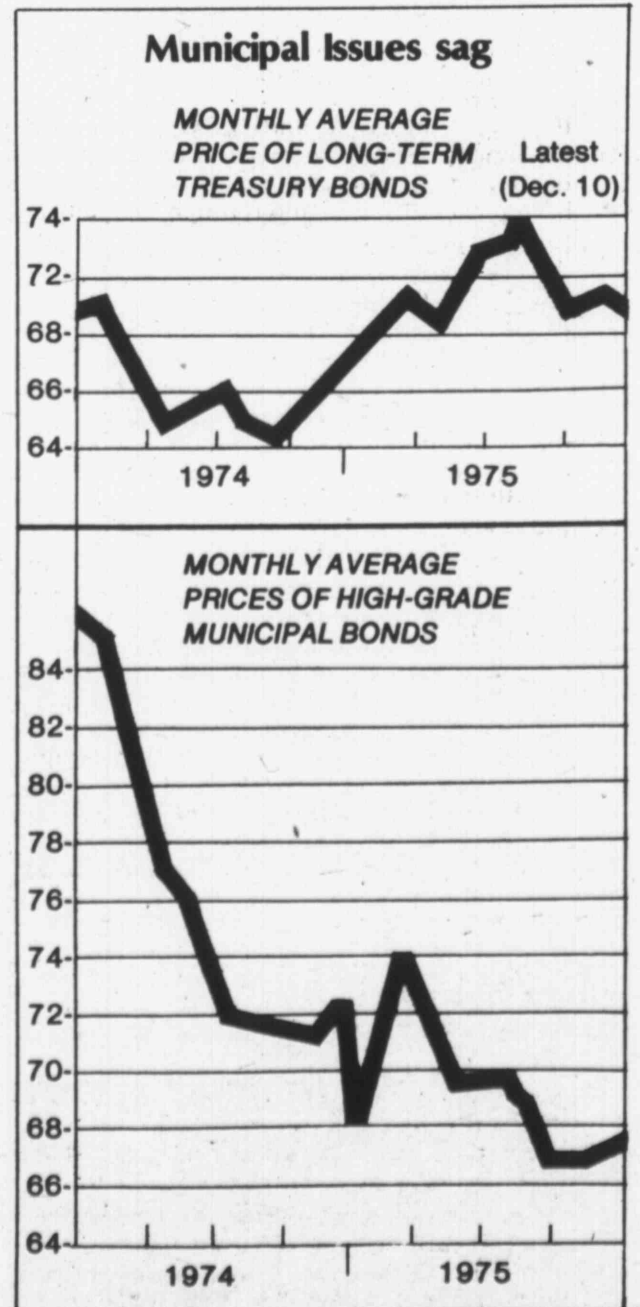
Should Murphy and other Detroit yea sayers prove correct, a lot of people will be crediting GM's Chevette for the rebound. Buyers snapped up more than 29,000 of the new minis in October and November. It was the gaudiest new car debut in No. 1's history. Right now, the only GM factory making the hot one is in Wilmington, Del. So now GM is retooling a California plant to turn it out.

[U.S. News & World Report, p. 47]

### The tumble in municipals

In lieu of the fiscal problems of New York City, the monthly average prices of high-grade municipal bonds have dropped from 85.2 in early 1974 to only 66.9 in mid-1975. Commercial banks, which over past years have been big purchasers of municipals, unloaded a net of \$1.5 billion in such bonds this year alone as prices of U.S. Treasury bonds held at around 69.6 (as of December 10). This situation poses a serious problem to the 15,000 State and local governments which must issue some \$28 billion of bonds each year to finance expenditures for schools, highways, sewers, etc.

As investor anxieties over the possible failure of municipalities to repay lie at the heart of the price plunge, many experts are calling for



federal laws, and regulation, centered upon greater disclosure of municipalities' fiscal

Continued on the next page

# Digest briefs

Continued from Previous page

situations. The Securities Act amendments of 1975 created the new Municipal Securities Rule-Making Board for the establishment of standards of conduct for municipal-bond dealers. "We... have been working for a long time to try to establish or promote standardized financial reporting," says Hyman C. Grossman, vice president in charge of municipal bond research at **Standard & Poors Corporation**. "Any move along that line," he says, "would be very helpful all around."

[U.S. News & World Report, p. 72]

## NY outlook brightens

The budgetary problems of NYC and NYS, which have played havoc with the nation's municipal bond markets, appear closer to resolution following the President's signing of a bill to provide the city with 2.3 billion a year in federal loans. NYS Governor Hugh L. Carey has requested State legislative authorization of \$555 million in additional taxes, nearly \$600 million in budget cuts and other financial moves—including a program to avoid the default of four State agencies. Officials are anxiously awaiting the court ruling concerning the State's power to require city note holders to exchange them for longer-term bonds. Such a "moratorium" is seen as an essential ingredient in any program to help the city avoid bankruptcy.

[U.S. News & World Report, p. 74]

# Digest major stories

## Barron's

### Second season

With the current television season universally acclaimed as a turkey (15 of 26 series introduced after Labor Day are off or going off the air) one might imagine that the three networks were hurting. Well, they were for awhile. Poorly received shows sent third quarter ad revenues down 6 per cent, but things have picked up since and through November 9, total volume was running 18.5 per cent ahead of the year-earlier period, \$2.014 billion vs. \$1.699 billion. Moreover, the networks are practically in the midst of launching their second season—18 new series to replace the duds and make time shifts in a dozen existing shows.

There will be no "bold programming" this time, if you please. Six of the replacements are sitcoms, four detective-police bang bangs, two varieties, a game show and a Western. Nothing risky there. The advertisers, meanwhile, are already paying 5 per cent more for the average commercial, so revenues for all of '75 are expected to hit a new record of \$2.5 billion with a further 10 per cent gain likely for '76.

With its traditional cry of "we give the public what it wants," the networks have rushed in to counter raised eyebrows over the spectacle of advertisers paying top dollar for programs that have gotten a thumbs-down reception from most critics. Maybe they do. **NBC**, for example, has become **RCA's** top money-maker, turning in 43 per cent (\$48.3 million) of its parent's net. Over at rival **American Broadcasting Co.** television accounts for 75 per cent of revenues, 85 per cent of pre-tax earnings. And No. 1 **CBS** is headed for a record year—fifth in a row—with net pegged at \$4.25 a share, vs. \$3.80 in '74, and \$4.70 to \$4.80 predicted for '76.

Still, the networks are hardly fetching the gaudy P-E ratios of seven or eight years ago when they were considered glamour stocks. **CBS** currently gets an 11 compared to 35 in 1967. **ABC** also rates an 11 these days vs. 41 back then. And **RCA**, which used to sell at a P-E of 29, now gets a 16.

The sitcom is still king of the airwaves, with shows like *All in the Family* (**CBS**) and *Sanford & Son* (**NBC**) commanding \$125,000 per commercial minute. Both are sold out to advertisers well into 1976. Less heralded, but perhaps even more valuable to the networks is their daytime

programming. **NBC** takes 40 per cent of its profits from soap operas and game shows, **ABC** an even higher percentage. They're valuable because they are cheap to produce. **NBC** can do five one-hour, one-studio segments of *Another World* for \$130,000, which is about what it costs to produce just one episode of *All in the Family*. The same holds true for the game shows. A whole week's worth can be shot in a single day, using the same set over and over. Cost: between \$35,000 and \$60,000. It's a bottom line dream.

[Barron's, 12-15-75, p. 3]

## Business Week

### Court showdown

The procedural shadow-boxing is underway in the biggest court test to date of the sanctity of the written contract. In one corner, **Westinghouse Electric**, which entered into contracts with 18 utilities in the mid-60s for future delivery of uranium at what turned out, with inflation, to be less than one quarter of the current market price. In the other corner, the utilities which are seeking an estimated \$1 billion in 13 separate lawsuits for **Westinghouse's** failure to make good. Among the plaintiffs: **Tennessee Valley Authority, Consolidated Edison of New York, Florida Power & Light, Texas Utilities, Union Electric and Wisconsin Electric Power.**

**Westinghouse** will be basing its defense on Section 2-615 of the Uniform Commercial Code, which in all but one state (Louisiana) permits a seller to get off the hook if the performance of his contract is considered commercially "impracticable." The company will argue that **OPEC** oil embargo of 1973-74 and the inflation that resulted was an unforeseen event that made delivery of the uranium at the previously stipulated prices impossible.

The utilities will argue that **Westinghouse** made no effort to assure itself of an adequate uranium supply when the material was comparatively cheap and should not be forgiven for this failure. As **Northeast Utilities Services** has contended: "Westinghouse took a calculated market risk akin to that of a commodities trader."

Moreover, some of **Westinghouse's** customers contend that the inflation risk was not as unforeseen as the company would have us believe. **Northeast**, alleges, for example, that its contract provided for an inflation escalator and **Con Ed** says it renegotiated its price in January 1974. Meanwhile, **Union Electric**, has gone into the open market to buy its uranium rather than wait for an end to the litigation, vowing it will hold **Westinghouse** liable for the difference in price.

[Business Week, 12-22-75, p. 15]

Unemployment is expected to remain a major problem throughout the year, dropping to a high 7.7 per cent of the labor force next year vs. a rate of 8.3 per cent last month.

One of the biggest sources of anxiety at the onset of the recovery, inflation, is expected to grind down to an average rate of 6.6 per cent (as measured by the consumer price index) compared with a rate of approximately 7.6 per cent over '75. On this point, there was some disagreement amongst the Board, with **Beryl Sprinkel**, executive vice president of **Chicago's Harris Trust & Savings Bank**, predicting the inflation rate to drop to five per cent by late '76. **Sprinkel's** view is contrasted by that of **Robert Nathan**, head of his own consulting firm, who predicts a disastrous rate of 9.5 per cent.

One of the strongest aspects of the recovery is expected to be the rise in corporate earnings, which are anticipated as jumping 20 to 30 per cent above 1975 levels by the end of next year. Such major industries as steel and textiles are already reporting stepped-up sales and orders, and prospects on the auto front are looking up. As the smaller, better-mileage compacts roll into the showroom, auto sales are expected to rise from this year's 8.7 million to some 9.5 million for '76. Housing starts are also expected to pick-up, though not dramatically, from this year's disappointing 1.1 million to about 1.5 million. If the highly unpredictable consumers open up their pocketbooks, such areas as household furnishings, TVs, carpets and apparel could post sharp gains.

[Time, 12-22-75, p. 59]

## U.S. News & World Report

### Needham on Exchange future

In a recent interview granted **U.S. News & World Report**, **New York Stock Exchange** chairman **James J. Needham** stressed his conviction that greater tax incentives are needed to draw the individual investor back into the market. **Needham** said that the maximum tax on capital gains should be 25 per cent, and that taxation should be reduced on any portion of capital gains which result from inflation. He stated that the minimum holding period for a security to be eligible for long-term capital gains advantages should remain six months, but that the investor should be permitted to deduct losses from his capital investments against all other types of income.

**Needham** pointed out that the number of individual investors holding stocks has declined from almost 31 million in 1970 to only 25 million in mid-'75, and that institutions accounted for about 70 per cent of all public dollar volume in the first quarter of '74 (the last quarter for which figures are available). There has also been an increase in the average age of the individual investor, **Needham** said, which is somewhat attributable to the disillusionment of young people with the nation's institutions. "Probably this distrust, or misunderstanding, extends to our stock market system," commented **Needham**, "and even to the ownership of shares in corporations."

As to the possibilities of a major shake-up in the structure of the Exchange, **Needham** does not foresee even the most advanced types of technology replacing the type of auction market currently embodied by the **NYSE**. He says the changes will occur in the direction of more rapid and widespread dissemination of information, such as that now available on the composite tape (which will be expanded to include quotes as well as final transaction prices). In addition to greater tax incentives, the **Big Board** chairman says that a strong recovery and lower interest rates would also contribute to an increase in the number of individual investors.

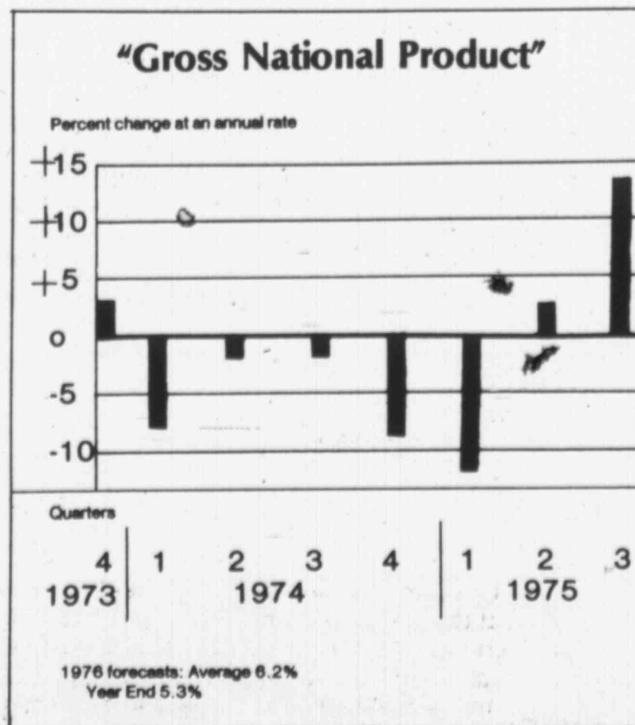
**Needham** remains opposed to any abrogation of **Rule 394**, stating that such abrogation would, firstly, convert the securities industry into a highly capital intensive industry, and secondly, require the industry to spend up to \$100 million for the attainment of a vague goal. **Needham** says he is aware that some people view the specialist system as a monopolistic one, but adds that "it's the oil that keeps our free-market machinery working." Instead of opening up the third market to member firms, **Needham** says that competition would be more effectively served by a system whereby specialist competes with specialist, noting that "competing specialists—properly regulated, of course—may be a better idea today."

[U.S. News & World Report, 12-22-75, p. 69]

## Time

### Sluggish recovery for 1976

**Time's** Board of Economists got together last week to predict the economic prospects for next year, and the resulting picture was of a recovery which will, at least, continue throughout the entirety of '76, but at a pace which shall be less than exciting. The growth



rate of the real gross national product is estimated at 6.2 per cent for the year, a decent upturn relative to the two per cent drop in 1974 and this year's probable three per cent tumble.

# 144 Letter Stock

Summarized below are significant notices of intent to sell or sales of restricted securities (also known as letter stock) recently filed on SEC Form 144. The date of sale given indicates an intent to sell the amount of shares listed on that date. It does not necessarily mean that the sale will be executed either in full or in part.

Restricted securities are issued directly by a company to so-called "sophisticated investors," who do not require information usually disclosed in a securities registration statement. These securities are usually sold at a discount to investors who are listed below as sellers. Also, the securities must be held for a certain period of time, usually two years.

Upon the filing of Form 144, these securities, when resold to the public, are no longer restricted. They are then included in this number of publicly-held outstanding shares.

Securities firms that handle these transactions almost always act as brokers, receiving their customary and traditional commission.

**Alcon Laboratories, Inc.** 3,000 common shares at \$70,000 - intended sale in November through Bache & Co., Inc. Acquired in June 1972 from the company. Frank X. Buhler, vice president.

**Anderson, Clayton & Co.** 1,200 common shares at \$44,000 - intended sale on Dec. 3 through Paine, Webber, Jackson & Curtis, Inc. Acquired in Jan. 1973 from the estate of Grace Sumners. Robert W. Sumners, officer.

**Anheuser-Busch, Inc.** 1,500 trustee common shares at \$49,500 - intended sale on Dec. 5 through Smith, Barney & Co., Inc. Acquired in 1959 from A.E. Busch. Louis Busch Hager.

**Arcata National Corp.** 5,000 common shares at \$40,367 - intended sale on Dec. 3 through Henry F. Swift & Co. Acquired in Nov. 1972 from the company. Craig W. Dorsey.

**Automatic Data Processing, Inc.** 233 common shares at \$13,747 - intended sale on Dec. 10 through Dean Witter & Co., Inc. Acquired between March 1970 and April 1974 from the company. Howard Sturtz.

**Beatrice Foods Co.** 7,020 common shares at \$173,745 - intended sale as soon as practicable through Jefferies & Co., Inc. Acquired in Dec. 1970 from Essex Graham Co. Allen M. Turner, trustee of the La Salle Trusts.

**Bell & Howell Co.** 9,923 common shares at \$148,845 - intended sale on Dec. 5 through Paine Webber Jackson & Curtis, Inc. Acquired in April 1973 from the company. Pine Valley Association.

**Booth Newspapers, Inc.** 1,326 common shares at \$30,498 - intended sale on Nov. 12 through Dean Witter & Co., Inc. Acquired in March 1973 from the company. Patricia C. Pryor, administratrix, CTA, Max B. Pryor Estate.

**Capital Holding Corp.** 2,000 common shares at \$46,500 - intended sale on Dec. 1 through Goldman, Sachs & Co. Acquired in Sept. 1969 from the company. Alvin Wunderlich Jr., trustee under agreement dated Nov. 14, 1967, for the benefit of Alvin Wunderlich III. A. Wunderlich Jr. is a director.

**Capital Holding Corp.** 2,000 common shares at \$46,500 - intended sale on Dec. 1 through Goldman, Sachs & Co. Acquired in Sept. 1969 from the company. Alvin Wunderlich Jr., trustee under agreement dated Oct. 31, 1969, for the benefit of Gary Kent Wunderlich. A. Wunderlich Jr., is a director.

**Carterfone Communications Corp.** 16,125 common shares at \$20,962.50 - intended sale on Dec. 5 through Rotan Mosle, Inc. Acquired in May 1972 from the company. Sandra B. Cleaver.

**Castle & Cooke, Inc.** 10,073 common shares at \$156,000 - intended sale on Dec. 2 through Goldman, Sachs & Co. Acquired in June

1975 from the company. Ronald R. Jensen.

**Chubb Corp.** 20,000 common shares at \$760,000 - intended sale in December through First Boston Corp. Acquired between 1967 and April 1972 from the company. Victoria Foundation, Inc.

**Coca-Cola Bottling Co. of Miami, Inc.** 23,748 common shares at \$290,913 - intended sale on Dec. 3 through Bateman Eichler, Hill Richards, Inc. Acquired in July 1963 from the company. Massachusetts Mutual Life Insurance Co.

**Colony Foods, Inc.** 9,000 common shares at \$54,000 - intended sale on Nov. 25 through Morgan, Olmstead, Kennedy & Gardner, Inc. Acquired between Jan. 1966 and Dec. 1968 from the company. Julius Kahn, director.

**Communications Properties, Inc.** 10,000 common shares at \$16,250 - in-intended sale on Dec. 15 through Vail Securities Investment, Inc. Acquired in March 1973 from the company. Robert W. Hughes, president.

**CompuScan, Inc.** 5,600 capital shares at \$60,200 - intended sale on Dec. 2 and within three months through Bruns, Nordeman, Rea & Co. Acquired between July 1968 and Nov. 1969 from the company. Nathan Udell.

**CompuScan, Inc.** 6,000 common shares at \$60,000 - intended sale on Dec. 8 through Hoppin, Watson, Inc. Acquired in March 1970 from Vivian J. Scheinman. Laurence Udell.

**Comtech Laboratories, Inc.** 10,000 common shares at \$137,500 - intended sale on Nov. 30 through Philips, Appel & Walden, Inc. Acquired in Aug. 1967 from the company. John P. Franceschini.

**Comtech Laboratories, Inc.** 10,000 shares (type - not specified) at \$140,000 - intended sale within three months through Philips, Appel & Walden Inc. Acquired in Sept. 1967 from the company. Philip Podd.

**Crystal Oil Co.** 3,670 common shares at \$35,782.50 - intended sale within approximately ninety days through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired in Nov. 1975 from the company. Harry L. Graham.

**Dart Industries** 5,000 common shares at \$160,000 - intended sale in November through Bache & Co., Inc. Acquired in May 1975 from the company. Lynn B. Miller.

**Dr. Pepper Co.** 10,000 common shares at \$120,000 - intended sale on Dec. 1 through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired in April 1973 from the company. Carol E. Fuller.

**Dynascan Corp.** 2,200 common shares at \$96,800 - intended sale in December through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired between Sept. and Oct. 1962 on the open market. Polk Brothers, Inc., ten per cent stockholder.

**Echlin Manufacturing Co.** 11,947 common shares at \$286,776 - intended sale commencing on approximately Dec. 10 through Shearson Hayden Stone, Inc. Acquired in Dec. 1970 from the company. Fredric D. Olefson.

**Echo Oil Corp.** 16,666 common shares at \$37,498.50 - intended sale on Dec. 5 through United Securities Corp. Acquired in Feb. 1972 from the company. Rogert P. Mattson.

**Emerson Electric Co.** 3,000 common shares at \$111,000 - intended sale on Dec. 1 through Reinholdt & Gardner. Acquired in Sept. 1968 from the company. W.R. Persons, chairman of the executive and finance committees

**Emons Industries, Inc.** 2,000 shares (type - not specified) at \$11,750 - intended sale on Dec. 15 through Laidlaw-Coggeshall, Inc. Acquired in Dec. 1973 from Irving Juran. Ruth Brawer.

**Evans Products** 4,274 common shares at \$20,301.50 - intended sale as soon as practicable through Goldman, Sachs & Co. Acquired since April 1969 from the company. Janet Madway.

**Federal Screw Works** 500 common shares

at \$11,000 - intended sale on Nov. 29 through Ohio Co. Acquired in Jan. 1949 and Aug. 1950 on the open market. Merton L. Lamkins, vice president, and Marion E. Lamkins.

**Fluor Corp.** 2,600 common shares at \$91,650 - intended sale (date not given) through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired in 1949 from Peter E. Fluor. Margaret F. Reed.

**Foxboro Co.** 4,000 common shares at \$107,250 - intended sale on Dec. 11 through Brown Brothers Harriman, Inc. Acquired in June 1932 from Bennet B. Bristol. Bennet B. Bristol Trust 1932, Rexford A. Bristol, trustee and director.

**Frigitemp Corp.** 4,131 common shares at \$33,565 - intended sale on Dec. 5 through Neuberger Securities Corp. Acquired in July 1971 from the company. Joseph W. Heilbrun, director and treasurer.

**Futura Industries, Inc.** 10,000 common shares at \$25,000 - intended sale on Dec. 5 through Drexel Burnham & Co., Inc. Acquired in 1969 from the company. Leo Kaufman, officer director and ten per cent stockholder.

**Gable Industries, Inc.** 3,200 common shares at \$19,000 - intended sale (date not given) through Reynolds Securities, Inc. Acquired in Sept. 1974 from E.G. Nicholson. first Georgia Bank.

**General Medical Corp.** 5,000 common shares at \$77,500 - intended sale on Dec. 9 through L. F. Rothschild & Co. Acquired in Nov. 1972 from the company. Sam Mehlinger.

**Giant Food, Inc.** 3,900 class A shares at \$59,962.50 - intended sale in December through Reynolds Securities, Inc. Acquired in Jan. 1955 from Lillian Cohen Solomon. Lillian Cohen Solomon Trust B.

**Globe Life & Accident Insurance** 4,251 shares (type - not specified) at \$37,727.62 - intended sale on Jan. 15, 1976 through A.G. Edwards & Sons, Inc. Acquired in April 1971 from Ralph Reece. Alfred T. Reece.

**Globe Life & Accident Insurance** 4,251 shares (type - not specified) at \$37,727.63 - intended sale (date not given) through A.G. Edwards & Sons, Inc. Acquired in April 1971 from the estate of Ralph Reece. Alfred T. Reece.

**Gulf Oil Corp.** 350,000 capital shares at \$7,000,000 - intended sale on Dec. 8 through The First Boston Corp. Acquired in Sept. 1974 from C.S. May. The CSM Trust.

**Heller (Walter E.) International Corp.** 2,000 common shares at \$51,000 - intended sale on Dec. 8 through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired in Oct. 1969 from E.L. Brown Jr. Howard E. Mowry Jr.

**Huyck Corp.** 10,000 common shares at \$140,000 - intended sale on Dec. 5 through Merrill Lynch. Acquired in March 1969 from the company. O. G. Haywood.

**Intel, Inc.** 300 common shares at \$21,150 - intended sale on Dec. 10 through Sutro & Co., Inc. Acquired in Aug. 1968 from Jay T. Last. The UCLA Foundation.

**Intercontinental Energy Corp.** 1,500 common shares at \$18,000 - intended sale on Dec. 8 through Laidlaw-Coggeshall, Inc. Acquired in Sept. 1971 from the company. Moncus & Co., as nominee for Abegg & Co.

**International Business Machines Corp.** 300 capital shares at \$66,225 - intended sale as soon as practicable through Morgan Stanley & Co., Inc. Acquired in May 1957

from Jeannette K. Watson. Trust under agreement dated May 29, 1957 made by Jeannette K. Watson for the benefit of Jane W. Irwin, of which Morgan Guaranty Trust Co. of New York, is trustee.

**International Business Machines Corp.** 300 capital shares at \$66,225 - intended sale as soon as practicable through Morgan Stanley & Co., Inc. Acquired in May 1957 from Jeannette K. Watson. Trust under agreement dated May 29, 1957 made by Jeannette K. Watson for the benefit of John N. Irwin III, of which Morgan Guaranty Trust Co. of New York, is trustee.

**International Flavors & Fragrances, Inc.** 1,000 common shares at \$24,625 - intended sale on Dec. 5 through R.W. Pressprich & Co., Inc. Acquired between Sept. 1967 and Sept. 1970 from the estate of A.L. van Ameringen. Trust under will of A.L. van Ameringen, for the benefit of Hedwig A. van Ameringen, article third.

**Invent, Inc.** 15,000 common shares at \$30,000 - intended sale on Dec. 9 through Lehman Brothers, Inc. Acquired in Oct. 1972 from Earl R. Wilson. Donald K. Russell, former director.

**James (Fred. S.) & Co., Inc.** 2,400 common shares at \$30,000 - intended sale on Dec. 4 through Goldman Sachs & Co. Acquired in Jan. 1969 from the company. Joseph B. Cralle II, senior vice president of subsidiary.

**Kirby Industries, Inc.** 500 common shares at \$20,300 - intended sale on Dec. 8 through Eppler, Guerin & Turner, Inc. Acquired in June 1972 on the open market. Myron H. Newman, vice president and controller.

**Lancaster Colony Corp.** 2,598 common shares at \$23,382 - intended sale on approximately Nov. 29 through Benj. D. Bartlett & Co. Acquired in Dec. 1972 from the company. Leonard S. Meranus.

**Life Resources, Inc.** 26,000 common shares at \$38,000 - intended sale on Dec. 15 through First Equities Corp. Acquired in Nov. 1972 from Albert K. Alberts. Glenn L. Pearson.

**Marriott Co.** 1,000 common shares at \$15,500 - intended sale on Dec. 1 through Folger, Nolar, Fleming, Douglas, Inc. Acquired in 1966 from father and from the company. Judith M. Ballstaedt.

**Masonite Corp.** 1,000 common shares at \$20,750 - intended sale on Dec. 20 through E.F. Hutton & Co., Inc. Acquired in July 1972 from the company. Marvin H. Langseth, officer.

**McDonald's Corp.** 1,000 common shares at \$55,000 - intended sale on Dec. 3 through Rodman & Renshaw, Inc. Acquired in Feb. 1970 from the company. Theodore Tannebaum.

**MetPath, Inc.** 10,500 common shares at \$131,250 - intended sale immediately - subject to market conditions - through M. Kimelman & Co. Acquired in July 1971 from the company. Abel Associates.

**Mitchell Energy & Development Corp.** 2,500 common shares at \$38,750 - intended sale on Dec. 2 through Goldman, Sachs & Co. Acquired in Dec. 1962 from George P. Mitchell. Alleyne P. Mitchell.

**Montgomery Street Income Securities, Inc.** 1,187 common shares at \$25,800 - intended sale on Dec. 3 through Birr Wilson & Co., Inc. Acquired in Jan. 1973 from the company. Dean Witter & Co., Inc.

**Morse Electro Products Corp.** 8,635 common shares at \$20,500 - intended sale on Dec. 1 through White, Weld & Co., Inc. Acquired in Nov. 1968 from the company. Bernard Berger, officer.

See LETTER STOCK, page 13

## Largest Transactions Reported this week

Company	Shares	Total Reported Transactions	Total \$\$\$ Amount.
Gulf Oil Corp.	350,000	1	7,000,000
Smith Kline Corp.	37,113	1	2,115,441
Quaker Oats Co.	35,000	1	840,000
Chubb Corp.	20,000	1	760,000
Oil Shale Corp.	179,524	1	561,910
Purolator, Inc.	15,000	1	534,750
Tektronix, Inc.	11,750	2	528,968.75
Pizza Hut, Inc.	17,300	2	374,825
Victoria Stakon, Inc.	18,100	1	352,950
Coca-Cola Bottling Co. of Miami	23,748	1	290,913
Echlin Manufacturing Co.	11,947	1	286,776
Comtech Laboratories, Inc.	20,000	2	277,500
Supermarkets General Corp.	35,000	1	210,000
Riviana Foods	10,000	1	200,000

# 144 Letter Stock

Continued from page 12

**National Chemsearch Corp.** 1,500 common shares at \$54,375 - intended sale on Dec. 1 through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired prior to 1965 from Ruth W. Levy. Jewish Welfare Federation.

**National Chemsearch Corp.** 4,500 common shares at \$144,000 - intended sale on Dec. 3 through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired prior to 1965 from Lester A. Levy. Dallas Community Chest Trust Fund, Inc.

**National Starch & Chemical Corp.** 1,000 common shares at \$41,750 - intended sale on Dec. 2 through F. Eberstadt & Co., Inc. Acquired in Feb. 1975 from Anna A. Greenwall. Anna A. Greenwall Trust, under agreement dated Feb. 18, 1975 - relationship to issuer: ten per cent stockholder.

**National Starch & Chemical Corp.** 1,000 common shares at \$41,750 - intended sale on Dec. 2 through F. Eberstadt & Co., Inc. Acquired in Feb. 1975 from Frank K. Greenwall. Frank K. Greenwall Trust, under trust agreement dated Feb. 18, 1975 - relationship to issuer: officer and director.

**Oil Shale Corp.** 179,524 common shares at \$561,910 - intended sale (date not given) through Lehman Brothers, Inc. Acquired in Sept. 1971 from the company. Ashland Oil, Inc.

**Pay Less Drug Stores Northwest, Inc.** 2,000 common shares at \$34,000 - intended sale on Dec. 12 through Foster & Marshall, Inc. Acquired in Oct. 1967 from the company. Lee Coleman.

**P & F Industries, Inc.** 42,000 common shares at \$84,000 - intended sale on Dec. 8 through Donaldson, Lufkin & Jenrette Securities Corp. Acquired in Aug. 1969 from the company. Frieda Margolis.

**Phillips Petroleum Co.** 2,683 common shares at \$142,199 - intended sale on Dec. 4 through Goldman, Sachs & Co. Acquired in Sept. 1973 from the company. Estate of Sanders Sosland.

**Pizza Hut, Inc.** 2,300 common shares at \$52,325 - intended sale on Nov. 13 through Robertson, Colman, Siebel & Weisel. Acquired between Jan. 1954 and July 1975 from the company. Daniel M. Carney, director.

**Pizza Hut, Inc.** 15,000 common shares at \$322,500 - intended sale on Nov. 19 through White, Weld & Co., Inc. Acquired between Jan. 1959 and July 1975 from the company. Frank L. Carney, president and chairman of the board.

**Puritan Fashions Corp.** 4,800 common shares at \$19,800 - intended sale (date not given) through Merrill Lynch, Pierce, Fenner & Smith, Inc. No information given on source or date of acquisition. Carl Rosen, president and director.

**Purolator, Inc.** 15,000 common shares at \$534,750 - intended sale on Dec. 5 through Dillon Read & Co., Inc. Acquired between Feb. 1956 and March 1959 on the open market, and in May 1972 from the company. Fidelity Union Trust Co., trustee of issuer's employee trust plan.

**Quaker Oats Co.** 35,000 common shares at \$840,000 - intended sale on Dec. 5 through Becker Securities Corp. Acquired between July and Sept. 1972 from the company. Lowell Fixler, vice president.

**Ransburg Corp.** 2,950 common shares at \$36,875 - intended sale on Nov. 28 through Kidder, Peabody & Co., Inc. Acquired in Jan. 1973 from the company. Robert J. Lannen trust agreement, dated Oct. 11, 1965, Robert J. Lannen, trustee.

**Riviana Foods** 10,000 common shares at \$200,000 - intended sale as soon as practicable through Paine, Webber, Jackson & Curtis, Inc. Acquired in June 1972 from the company. Robert Wiviott, consultant.

**Rohm & Haas Co.** 2,200 common shares at \$132,000 - intended sale on Dec. 2 through Kidder, Peabody & Co., Inc. Acquired prior to 1967 from Otto and Phoebe W. Haas. The William Penn Foundation; ten per cent stockholder.

**Rykooff (S.E.) & Co.** 1,000 common shares at

\$20,000 - intended sale on Dec. 20 through Shearson Hayden Stone, Inc. Acquired in Feb. 1974 from Arthur C. Ames, and in June 1975 from the company. Carol E. Ames.

**Seaway Food Town, Inc.** 10,000 common shares at \$90,000 - intended sale on Dec. 4 through McDonald & Co. Acquired in Sept. 1957 from the company. Paul Pope, vice president, secretary and director.

**SmithKline Corp.** 37,113 common shares at \$2,115,441 - intended sale on Dec. 4 through Smith, Barney & Co., Inc. Acquired in April 1972 from Material Testing Co. Josef Krautkraemer.

**Southeast Banking Corp.** 8,566 common shares at \$93,155.25 - intended sale on Dec. 4 through Paine, Webber, Jackson & Curtis, Inc. Acquired in Oct. 1967 from the company. Harry H. Bassett, director and chairman of the board.

**Subaru of America, Inc.** 12,000 common shares at \$21,000 - intended sale on Sept. 10 through Cowen & Co. Acquired in Aug. 1972 from the company. Progressive Industries Corp.

**Sun Oil Co.** 625 common shares at \$17,490.625 - intended sale on Dec. 3 through Blyth Eastman Dillon & Co., Inc. Acquired in Dec. 1973 from A.E. Pew Jr. Robert A. Pew, affiliate.

**Supermarkets General Corp.** 35,000 common shares at \$210,000 - intended sale between Dec. 2 and 31 through Wertheim & Co., Inc. Acquired in Nov. 1971 from the company. Charles E. Day, director.

**Taco Bell** 3,000 common shares at \$66,750 - intended sale on Dec. 3 through Jefferies & Co., Inc. Acquired in Feb. 1971 from the company. Billy L. Roberts.

**Tektronix, Inc.** 10,000 common shares at \$450,000 - intended sale on Dec. 4 through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired between 1947 and 1949 from the company, and in July 1974 and June 1975 from Howard Vollum. Reed Institute.

**Tektronix, Inc.** 1,750 common shares at \$78,968.75 - intended sale on Dec. 10 through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired in Dec. 1972 from the company. Elwell E. Swanson, officer.

**Teledyne, Inc.** 1,000 common shares at \$20,500 - intended sale on Dec. 4 through Dean Witter & Co., Inc. Acquired between Oct. 1960 and May 1975 from the company. Henry E. Singleton, officer and director.

**Texas Instruments, Inc.** 1,550 common shares at \$142,000 - intended sale on Dec. 4 through Goldman, Sachs & Co. Acquired in May 1966 from the company, and in Nov. 1975 from Cecil H. Green. Board of Regents University of Texas System.

**Trico Industries, Inc.** 18,575 capital shares at \$83,000 - intended sale on Dec. 5 through Dean Witter & Co., Inc. Acquired in May 1940 from Harry H. Magee. Peavey Co., ten per cent shareholder.

**United International Research, Inc.** 12,500 common shares at \$75,000 - intended sale on Sept. 23 through John J. Meyers & Co. and Milton M. Star Agency. Acquired in 1942, and subsequently, due to splits, from the company. Alfred R. Globus, president, director and principal shareholder.

**Upjohn Co.** 1,000 common shares at \$44,500 - intended sale on Nov. 26 through First of Michigan Corp. Acquired in Nov. 1975 from Donald S. Gilmore. Bronson Methodist Hospital.

**Utah International, Inc.** 9,000 common shares at \$40,000 - intended sale in November through Merrill Lynch, Pierce, Fenner & Smith, Inc. Acquired in May 1953 from the company. First Security Bank Trust Department, acting for benefit of trust.

**Victoria Station, Inc.** 18,100 common shares at \$352,950 - intended sale on Dec. 2 through The Milwaukee Co. Acquired in Jan. 1972 from the estate of William F. Stremke Sr. Amtro & Co.

**Wendy's International, Inc.** 4,849 common shares at \$111,527 - intended sale as soon as practicable through Paine, Webber, Jackson & Curtis, Inc. Acquired in Nov. 1972 from Joseph D. Karem. Joseph D.

Karam, trustee of Associates Ltd.

**White Consolidated Industries, Inc.** 2,000 common shares at \$43,250 - intended sale on Dec. 1 through Morgan Stanley & Co., Inc. Acquired in May 1972 from revocable trust for the benefit of Vollmer W. Fries. Robert T. H. Davidson and U.S. Trust Co. of New York, as trustees under deed of Vollmer W. Fries, for Carole Fries Davidson, dated April 27, 1972. Trust created by director of issuer.

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T.H. Davidson and U.S. Trust Co., of New York, as trustees under deed of Vollmer W. Fries, for William Vollmer Fries, dated April 27, 1972. Trust created by director of issuer.

**Wickes Corp.** 2,008 common shares at \$16,566 - intended sale on Jan. 5, 1976 through Bosworth, Sullivan & Co., Inc. Acquired in Nov. 1973 from the company. Wesley L. Gormley.

**Wyman-Gordon Co.** 1,500 common shares at \$52,500 - intended sale on Dec. 8 through Kinsley & Adams, Inc. Acquired in May 1972 from the company and in April 1973 on the open market. Joseph R. Carter, director and president.

## Wall Street's shotgun weddings

Continued from page 1

words for the newly-popularized practice. "A leading temptation for the investment bankers (to get involved in unfriendly tenders) is the huge fees involved. We think raids tear down American business and businessmen. Just because of circumstances, because one company has a lot of cash and the other has a currently low stock price, we don't think it's fair to a basically sound company (to be raided). Almost every company is vulnerable at some point in their business life."

"We're a supporter of American business," Traphagen continued. "Raids are a war-like tactic...anything goes in war." He compared the surprise tender offer to a surprise bombing attack in war. "Suddenly you wake up and the enemy is bombing."

"Sure a raid is the fastest, swiftest, neatest way to kill," he added, "but there are other ways to make an offer for a company." He pointed out that directors of a company cannot summarily reject good offers from other firms. If the board turns down an offer which the stockholders think would be beneficial for them, the shareholders can sue in court, and the directors may be held liable.

Levy said that Goldman, Sachs has been hired by a number of the companies being pursued in the unfriendly mergers, which would like Goldman, Sachs to either 1) block the merger entirely; or 2) get a better price for the stock; or 3) find a more compatible partner for them to merge with. "The companies sort of gravitate to us now when they're being raided," Levy observed.

### Lines of defense

Raid specialist Traphagen, who said Goldman, Sachs is now defending about one-half of the companies being tendered for in the major offers, described the specific steps Goldman, Sachs advised in these actions.

"First, we line up a team of experts to advise them in this perilous business in which they have no experience," Traphagen said. Then there are three main lines of defense which are employed. The

first comes under the general heading of "financial and public relations." It consists of a potpourri of actions, most important of which is writing letters to stockholders and which may also include appealing to other American companies and to various government officials for help. Copperweld, Traphagen pointed out, even appealed to the unions and got busloads of workers to picket Imetal's investment banker.

The second important means of defense involves legal maneuvers. Violation of anti-trust laws is often cited if the tendering firm is in the same business, uses the products of the company it's after or supplies any materials to that company. Statutes of the Securities & Exchange Commission which govern tender offers are scrutinized to make sure the tendering firm has complied with all the rules — any infractions would be grounds for at least temporarily stopping the raid.

Northern Electric's raid on Dictaphone provides an example in which this means of defense was successfully employed. Dictaphone appealed to Goldman, Sachs for help after "the raider from the North" had made a surprise tender offer for the company. In its investigation, Goldman, Sachs discovered that the wife of the chairman of the board of Northern Electric had bought stock in Dictaphone six weeks prior to the raid. Rather than face the embarrassment of explanations, Northern Electric withdrew its offer.

The third major means of defense — "if all else fails," Traphagen said — is to look for a more desirable firm for the raided company to merge with. "You look for someone that you think would be more compatible, that would have a 'good fit' with the company — and someone willing to pay more than the raider," Traphagen declared.

"The first obligation," Traphagen said, "is to get the highest price. It's invariably true you can get a higher price from another source. After all, if the raider thinks it's a steal at \$20, there's someone who'll pay \$22 or \$23."

Currently, Goldman is involved in the

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## THE Commercial and Financial CHRONICLE

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# Insider Trading

Continued from page 1

market, have hit Alberto hard.

Wall Street has responded to the bad news by sending prices down from a 1973 high of around 30 to a current 5 1/4. The company's P-E multiple stands at 14 (compared to an average NYSE multiple of 9.95) but, says Mr. John Ottman, vice president of investment research at C.J. Lawrence Inc., "when a company's earnings have been depressed, it's not unusual for the multiple to be above-average. As long as investors feel that things will pick up, you'll see them paying high prices for poor earnings. Of course, the implications of such a multiple are much different than those for a company with a similar multiple but greater growth potential.

It is in precisely this area, growth, that Alberto appears to be laggard. The company's hair-care and beauty-product business is a highly competitive one, with over 100 companies (including Revlon, Warner-Lambert, Avon and Faberge) gunning for the consumer's dollar. "The stock has been under \$10 and relatively inactive for quite a while," says Ottman, "and I think it will stay that way until Alberto introduces a new product which can grab a substantial share of its market." The company faces a shrinking hair-spray market, a resistant shampoo market, and is failing to cash in on the expanding fragrance and skin-care markets.

All of which doesn't mean that the folks at Alberto have been sitting idly by. This year's star in the domestic toiletries division is Rango, which is being promoted for the Christmas season as a men's shave and cologne kit. Another newcomer is Hot Oil, a hair-treatment product oriented towards the professional market. "The advertising has been heavy for Rango," says Alberto vice president E. P. Doyle, "and we'll be going national very soon for Hot Oil." Alberto's households division is test marketing plant food and plant care products, and subsidiary Masury-Columbia Co. has come to market with some new cleaning products. Alberto has marketing operations in over 100 countries (with manufacturing facilities in 35), and is pushing for greater market penetration in Venezuela, Indonesia, Iran, The United Kingdom, Australia and Puerto Rico.

## Name of the game

Besides product innovation, the name of the consumer products game is advertising. As Alberto's earnings have dipped over the last three years, its aggregate expenditures for advertising, promotion, selling and administrative expenses have declined as well. Such outlays dropped from \$85.8 million in '73 to only \$70.4 million in '74. SAM (a Midwestern advertising magazine) estimates that the actual advertising chunk of these expenditures came to \$26,360,963 in '73 and \$19,478,000 in '74. (Figures for '75 and projections for '76 were not available.)

Without stunning product innovation and intensified advertising, Alberto's earnings (and probably its stock price) will rely for its boost upon a general economic pick up. As economic conditions improve, some gains will result from a restocking of shelves by wholesalers and retailers. The toiletries division will continue a difficult struggle in a highly competitive market, but Alberto has a broad product line and some strong sellers. With inventories down, any sales increase will have an immediate impact on production, allowing Alberto to utilize idle capacity and put some 700 furloughed workers back on the payroll.

The company has no plans of increasing capital expenditures, which had risen from

**The Securities and Exchange Commission requires officers, directors and those who hold 10 per cent or more of the shares of a publicly-held company to report, within 10 days after the month in which the transaction took place; any sale, purchase, redemption, etc. by them in the stock of their company.**

**The figure after the transaction date represents the total number of shares now held by the person involved in the transaction.**

**These reports are a matter of public record and are made public by the SEC and by the Exchange with which they are filed.**

\$2.36 million in '73 to \$5.36 million in '74 (due largely to the rebuilding of a plant which was destroyed in a fire). Doyle says that Alberto's aerosol division "took a hell of a beating over the last 18 months," and cites industry reports claiming an 18 per cent plunge in industry sales. Costs for such items as metal cans, petroleum products and synthetic alcohol have hurt margins in the aerosol division, but Doyle feels that "the prices are peaking."

Alberto-Culver, which is traded on the New York Stock Exchange, has 4,273,133 common shares outstanding, no preferred, and long term debt of \$2,993,097. Its ratio stands at 2.37 as of September '75, and interest expenses rose from \$327,595 in '74 to \$452,192 for fiscal '75.

## Sales

**Airborne Freight Corp.** 4,000 common shares at \$12 1/2-\$14 open market sales between Nov. 12 and 28. 4,235. J. Vernon Williams, secretary and director.

**Alexander & Alexander Services** 1,200 common shares at \$35 1/2 open market sale on Dec. 1. 28,326. Hugo J. Standing, director and senior vice president.

**Allright Auto Parks, Inc.** 1,000 common shares at \$6 1/2 open market sale on Nov. 18. 5,459. Robert J. Hudspeth, vice president and director.

**Amstar Corp.** 1,000 common shares at \$37.25 open market sale on Nov. 11. 3,740. Guy D. Manuel, vice president.

**Anheuser-Busch, Inc.** 350 common shares at \$35.25 open market sale on Nov. 12. 6. John L. Hayward, vice president and secretary.

**Anheuser-Busch, Inc.** 2,000 common shares at \$36.50 open market sale on Nov. 13. 4,400. Andrew J. Steinhubl, vice president.

**Apco Oil Corp.** 300 common shares at \$22.50 open market sale on Sept. 12. 206. H.F. Boles, vice president.

**Apco Oil Corp.** 108 common shares at \$21.75 open market sale on Oct. 13. 4. E.H. Bailey, senior vice president.

**Archer-Daniels-Midland Co.** 11,000 common shares at \$38 open market sales on Nov. 4. 761,048. Shreve M. Archer Jr., director.

**Automatic Switch Co.** 2,000 common shares at \$35.50 rule 144 sale on Nov. 12. 95,400. Wilbur F. Hurlburt Jr., director and president.

**Automatic Switch Co.** 3,000 common shares at \$35.50 rule 144 sale on Nov. 17. 103,659. Roger P. Hurlburt, director, vice president and secretary.

**Avon Products, Inc.** 200 capital shares at \$45 open market sale on Nov. 25. Frederick Penichet, vice president.

**Bandag, Inc.** 400 common shares at \$28 open market sale on Nov. 21. 900. David M. Utley, assistant secretary.

**Bandag, Inc.** 2,300 common shares at \$29 1/4-\$29 1/2 open market sales on Nov. 26 and 28. 34,100. Harold H. Vischer, senior vice president and director.

**Baxter Laboratories, Inc.** 6,500 common shares at \$40.50 open market sale on Nov. 25. 1,659,169. Ralph Falk II, chairman of the executive committee and director.

**BBDO International, Inc.** 9,000 common shares at \$16.25 sales between Nov. 5 and 14. 75,000. Bruce E. Crawford, president.

**Becton, Dickinson & Co.** 13,100 common shares at \$34.25-\$35.875 open market sales between Oct. 8 and 27. 507,814. Henry P. Becton, vice chairman and director.

**Bohemia, Inc.** 3,000 common shares at \$12 1/2 open market sale on Nov. 20. 179,293. L.E. Chapman, director.

**Boyetown Burial Casket Co.** 300 common shares at \$11 open market sale on Oct. 28. 410. James K. Boyer, director.

**Capital Cities Communications, Inc.** 1,000 common shares at \$41.25 open market sale

on Nov. 25. 27,546. Joseph P. Dougherty, director, executive vice president and president of broadcast division.

**Capital Holding Corp.** 32,000 common shares at \$23 and \$23.50 sales on Nov. 11 and 25. 663,595. Alvin Wunderlich Jr., director.

**Carnation Co.** 125 common shares at \$77.50-\$77.75 open market sales on Nov. 11. 15. John H. Maynard, vice president.

**Centex Corp.** 2,500 common shares at \$8 open market sale on Nov. 7. 354,692. Frank M. Crossen, chairman of the board and director.

**Central National Corp.** 100 common shares at \$16 1/2 open market sale on Nov. 5. 45,930. William H. Schwarzschild Jr., director and consultant.

**Chromalloy American Corp.** 200 common shares at \$10 1/2 open market sale on Oct. 21. 30,612. Carl Ferenbach, former director.

**C.I.T. Financial Corp.** 21,700 common shares at \$26 1/2-\$28 1/2 open market sales between Nov. 3 and 28. 781,894. Henry A. Ittleson, vice president and director.

**Citizens & Southern Realty Investors** 1,000 shares of beneficial interest at \$1.50 sale on Oct. 30. 900. Ivan Allen III, trustee.

**Clorox Co.** 900 common shares at \$11 open market sale on Nov. 12. 2,884. Edward W. Ashmead, vice president.

**Cobe Laboratories, Inc.** 500 common shares at \$23.25 open market sale on Dec. 4. 119,602. Randall F. Bellows, vice president and director.

**Coca-Cola Bottling Co. Consolidated** 1,100 common shares at \$16.75 open market sale on Nov. 12. 42,750. James V. Johnson, president and director.

**Coca-Cola Co.** 550 common shares at \$80.625-\$81 open market sales on Nov. 4. 109,085. Lindsey Hopkins, director.

**Coca-Cola Co.** 800 common shares at \$88 open market sales on Nov. 12 and 25. 600. Richard F. Atwood, vice president.

**Comtech Laboratories, Inc.** 7,000 common shares at \$12-\$12.25 open market sales on Nov. 5. 130,900. Jack C. Greene, chairman of the board of directors.

**Comtech Laboratories, Inc.** 9,500 common shares at \$12-\$15.25 open market sales between Nov. 3 and 14. 18,950. Gerard R. Nocita, senior vice president, secretary-treasurer and director.

**Congoleum Corp.** 600 common shares at \$10.75 open market sale on Nov. 4. 2,298. Ralph M. Jerskey, vice president, general counsel and secretary.

**Coquina Oil Corp.** 2,000 common shares at \$17.50 open market sale on Nov. 14. 340,049. Pomeroy Smith, chairman of the board and chief executive officer.

**Dart Industries, Inc.** 300 common shares at \$26.875-\$27 open market sales on Nov. 25. 556. Edgar Thedens, secretary.

**Data Card Corp.** 1,000 common shares at \$9 sale on Nov. 21. 16,055. Richard L. Hencley, executive vice president.

**Dayton Hudson Corp.** 2,500 common shares at \$25.50 open market sale on Nov. 3. 1,352,263. Douglas J. Dayton, director.

**Digital Equipment Corp.** 600 common shares at \$134-\$138.75 open market sales on Nov. 12. 30,229. Theodore G. Johnson, vice president.

**Digital Equipment Corp.** 1,000 common shares at \$135 open market sale on Nov. 12. 152,336. Stanley C. Olsen, vice president.

**Dorchester Gas Corp.** 5,000 common shares at \$9 1/2-\$9 1/4 open market sales on Nov. 18. 25,492. Robert E. Aikman, director.

**Dover Corp.** 5,000 common shares at \$45-\$45.25 open market sales on Nov. 14. 139,501. George L. Ohrstrom, director.

**Dynascan Corp.** 3,300 common shares at \$35-\$46 open market sales between Nov. 6 and 21. 387,373. Sol Polk, beneficial owner of more than ten per cent of the common stock.

**Electronics, Missiles & Communications, Inc.** 900 common shares at \$2.50-\$2.75 open market sales on Oct. 3 and 31. 38,622. Shirley Chalmers, director.

**Emerson Electric Co.** 10,000 common shares at \$35.125-\$35.25 sales on Nov. 14.

756,341. George T. Pflieger, director.

**Emery Air Freight Corp.** 550 common shares at \$44.875-\$45 open market sales on Nov. 13. Arthur C. French, vice president.

**Fabri-Tek, Inc.** 18,000 common shares at \$0.875 open market sales between Nov. 5 and 14. 1,741,451. M.F. Mickelson, director, chairman of the board and ten per cent shareholder.

**Fairchild Camera & Instrument Corp.** 850 common shares at \$39 open market sale on Nov. 24. 1,000. Gregorio Reyes, vice president.

**Farmers Group, Inc.** 50 common shares at \$58.75 open market sale on Oct. 21. 1,239. Clifton R. Withrow, vice president.

**Federal Co.** 1,000 common shares at \$21 open market sale on Nov. 14. 0. James H. Thompson, secretary-treasurer.

**Federated Department Stores, Inc.** 1,500 common shares at \$52.125-\$54.50 open market sales on Nov. 6, 12, and 21. 240,862. Charles Y. Lazarus, vice president and director.

**Fidelity Corp.** 667 common shares at \$1.75 open market sale on Nov. 12. 2,290. Charles D. Robinson, senior vice president and secretary.

**First Bancshares of Florida, Inc.** 200 common shares at \$7.25 open market sale on Oct. 6. 46. Edward M. Hatton, vice president.

**First New Mexico Bankshare Corp.** 100 common shares at \$16 private sale on Oct. 16. 3,930. William G. Grady, vice president.

**First of Denver Mortgage Investors** 2,750 shares of beneficial interest at \$1.75 private sale on Nov. 5. 4,000. Aksel Nielsen, trustee.

**Fischbach & Moore, Inc.** 175 common shares at \$22.50 private sale on Nov. 10. 5,250. Charles R. Acker, treasurer and director.

**Florida Commercial Banks, Inc.** 6,750 common shares at \$7 1/2 sale on Nov. 14. 5,341. Joseph W. Armaly, director, vice president and treasurer.

**Foothill Group, Inc.** 500 common shares at \$4.125 open market sale on Oct. 29. 1,078. Thomas M. Stroud, assistant treasurer.

**Freeport Minerals Co.** 190 common shares at \$22 1/4-\$22 3/4 open market sales on Nov. 6. 100. Albert F. Rothwell, vice president.

**Friendly Ice Cream Corp.** 5,300 common shares at \$25 and \$26 open market sales on Nov. 12 and 18. 1,015,781. S. Prestley Blake, chairman of the board of directors.

**General American Oil Co. of Texas** 10,000 common shares at \$38.75 sale on Nov. 5. 935,090. A. H. Meadows, beneficial owner of more than ten per cent of the company's common stock, chairman of the board and director.

**General Dynamics Corp.** 800 common shares at \$46-\$47 open market sales on Oct. 9 and 28. 697. Philip R. Cowen, staff vice president.

**General Dynamics Corp.** 690 common shares at \$42.75-\$43.18 open market sales on Nov. 3. 7. Philip R. Cowen, staff vice president.

**Georgia-Pacific Corp.** 1,000 common shares at \$43.50-\$43.875 sales on Nov. 18. 63,832. Robert A. Schumacher, senior vice president.

**Glenmore Distilleries Co.** 26,745 class B common shares at \$7.75 private sale on Nov. 1. 232,865. Frank B. Thompson, director.

**Goodyear Tire & Rubber Co.** 6,000 common shares at \$21.25-\$21.375 open market sales on Nov. 5 and 6. 164,941. Russell De Young, director.

**Heath Tecna Corp.** 3,489 common shares at \$10.50 private sale on Nov. 13. 1,217. Harold H. Heath, director.

**Heilig-Meyers Co.** 300 common shares at \$4.75 private sale on Oct. 1. 327,618. S. Sidney Meyers, vice president, secretary, director and beneficial owner of more than ten per cent of stock.

**Hilton Hotels Corp.** 1,000 common shares at \$30.25 open market sale on Dec. 3. 2,025. Gregory R. Dillon, senior vice president.

**Holiday Inns, Inc.** 3,655 common shares at

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# Insider Trading

Continued from page 14

\$13 1/4 open market sales on Nov. 4. 70,684. Robert A. Lile, director.

**Holiday Inns, Inc.** 5,605 common shares at \$14.875 open market sale on Nov. 13. 36,278. Clyde H. Dixon, director and executive vice president.

**Hunt (Philip A.) Chemical Corp.** 28,600 common shares at \$10.75-\$12.75 open market sales between Nov. 11 and 28. 2,066,762. Geraldine H. Coles, beneficial owner of more than ten per cent of the company's common stock.

**Information International, Inc.** 200 common shares at \$13 1/4 sale on Oct. 13. 3,700. Stephen J. A'Hearn, vice president.

**Intel Corp.** 4,374 common shares at \$76 sale on Nov. 17. 15,038. Eugene J. Flath, vice president.

**Intercontinental Energy Corp.** 2,900 common shares at \$10 and \$11 sales on Nov. 1 and 14. 350. Max P. Sommer, vice president and director.

**International Business Machines Corp.** 200 capital shares at \$215.50 open market sale on Nov. 10. 1,595. Theodore C. Papes Jr., vice president.

**International Business Machines Corp.** 200 capital shares at \$219.625-\$224 open market sales on Nov. 17 and 19. 629. Dean P. Phipers, vice president.

**Jefferson-Pilot Corp.** 1,400 common shares at \$31.25 open market sale on Nov. 11. 4,020. Charles G. Powell Jr., vice president and general counsel.

**Johnson & Johnson** 1,300 common shares at \$90.25 open market sale on Nov. 6. 50,193. Richard B. Sellars, chairman of the board.

**Johnson & Johnson** 400 common shares at \$93 open market sale on Nov. 25. 30,625. Foster B. Whitlock, director.

**Joy Manufacturing Co.** 500 common shares at \$87.50 open market sale on July 18. 67,853. William T. Ahlberg, director.

**Kellogg Co.** 4,000 common shares at \$22 open market sale on Nov. 11. 17,972. Charles A. Tornabene, executive vice president and director.

**Key Pharmaceuticals, Inc.** 500 common shares at \$2 private sale on Nov. 10. 220,132. Phillip Frost, chairman of the board of directors.

**Key Pharmaceuticals, Inc.** 500 common shares at \$2 private sale on Nov. 10. 158,314. Michael Jaharis Jr., president and director.

**Leggett & Platt, Inc.** 4,000 common shares at \$8 and \$8.25 open market sales on Nov. 7, 11, and 12. 170,869. E.C. Sandham, director.

**Loehmann's, Inc.** 15,000 common shares at \$14.50 and \$17 open market sales on Nov. 10 and 24. 314,475. Charles C. Loehmann, director, officer and ten per cent shareholder.

**Love Oil Co.** 1,250 common shares at \$1-\$1.25 open market sales on Oct. 30. M. Rodney Effress, director.

**Lowe's Companies, Inc.** 2,500 common shares at \$40.50 open market sale on Nov. 1. 30,364. Joe V. Reinhardt, senior vice president and director.

**Marriott Corp.** 2,000 common shares at \$14 and \$16 open market sales on Nov. 5 and 26. 340,904. Woodrow D. Marriott, senior vice president.

**Marsh & McLennan Companies, Inc.** 8,500 common shares at \$56-\$57.50 open market sales between Oct. 17 and 24. 160,120. Raymond Jutheau, director.

**Mary Kay Cosmetics, Inc.** 5,000 common shares at \$17.50 open market sale on Nov. 26. 315,946. J. Ben Rogers Jr., director and vice president.

**May Department Stores Co.** 1,000 common shares at \$47-\$47.50 sales on Nov. 26. 2,708. Frank J. Reilly, vice president and first assistant treasurer.

**McCormick & Co., Inc.** 1,500 non-voting

common shares at \$33 open market sale on Nov. 5. 3,320. E. Clayton Shelhoss, director and executive vice president.

**McCormick & Co., Inc.** 1,496 non-voting common shares at \$33.50 open market sale on Nov. 7. 8,790. John L. Buckley Jr., director, vice president and controller.

**Mego International, Inc.** 15,000 common shares at \$11 1/4-\$11 1/2 open market sales on Nov. 26. Milton Wells, officer.

**Merck & Co., Inc.** 2,000 common shares at \$78 open market sale on Nov. 21. 5,980. Kenneth F. Gibsen, vice president of division.

**Minnesota Mining & Manufacturing Co.** 1,600 common shares at \$61.25 sale on Nov. 28. 7,230. Robert McL. Adams, vice president and director.

**Mobil Oil Corp.** 1,000 common shares at \$47.13 open market sale on Nov. 13. 4,116. Theodore W. Nelson, director and executive vice president.

**Monsanto Co.** 2,000 common shares at \$80.75 open market sale on Nov. 13. 772. Edmond S. Bauer, executive vice president and director.

**Mountain Banks, Ltd.** 15,418 common shares at \$18.60 private sale on Nov. 25. 22,786. Ira C. Rothgerber Jr., director.

**Quaker Corp.** 4,000 common shares at \$10 1/2-\$10 3/4 open market sales on Nov. 7. 87,189. Winthrop L. Carter Jr., director and consultant.

**National Gypsum Co.** 5,000 common shares at \$11.875-\$12.25 open market sales on Nov. 18 and 28. 234,130. K. Paul Chase, group vice president.

**National Semiconductor Corp.** 5,000 common shares at \$42 open market sale on Nov. 4. 328,150. Peter J. Sprague, chairman.

**New England Bancorp, Inc.** 343 common shares at \$11.25 open market sale on Nov. 6. 14,400. Cecil F. Backus Jr., director.

**New Hampshire Ball Bearings, Inc.** 337 common shares at \$14.25-\$15 open market sales on Nov. 25. 3,512. Richard H. Cherwin, director and president.

**Northeast United Bancorp, Inc. of Texas** 10,000 common shares at \$10 private sale on Oct. 22. 25,842. Julius C. Bruner, director.

**Northeast United Bancorp, Inc. of Texas** 10,000 common shares at \$10 private sale on Oct. 22. 4,000. Byron Nelson, director.

**Oklahoma Natural Gas Co.** 2,000 common shares at \$23.25 open market sales on Nov. 12 and 13. 0. Perry A. Wimpey, officer.

**Olin Corp.** 1,091 common shares at \$29 1/2 open market sale on Nov. 21. 1,487. Charles V. Mayne, comptroller.

**Orange-Co, Inc.** 20,000 common shares at \$13.175 secondary sale on Nov. 20. 16,088. John A. Bernard, director.

**Orange-Co, Inc.** 92,500 common shares at \$13.175 sales (underwritten public offerings) on Nov. 20. 544,994. S. Robert Davis, chairman of the board, president and beneficial owner of more than ten per cent of the company's common stock.

**Outboard Marine Corp.** 2,200 common shares at \$26.75 open market sale on Nov. 24. 8,130. Howard F. Larson, vice president.

**Owens-Corning Fiberglas Corp.** 400 common shares at \$40-\$41.75 open market sales on Oct. 24 and Nov. 12. 4,576. Guy O. Mabry, vice president and general manager.

**Owens-Corning Fiberglas Corp.** 170 common shares at \$40.875 and \$42.50 sales on Nov. 18 and 20. 2,161. Richard S. Grant, vice president.

**Pacific Petroleum Ltd.** 46 common shares at \$27 open market sale on Nov. 13. 203. Frederic A. Baldwin, treasurer.

**Petrie Stores Corp.** 100 shares (type - not specified) at \$71 sale on Nov. 24. 500. O. Palidora, vice president.

**Philip Morris, Inc.** 1,000 common shares at

\$53 1/4 open market sale on Nov. 21. 11,572. Jetson E. Lincoln, vice president.

**Pillsbury Co.** 3,000 common shares at \$41-\$41.25 open market sales on Nov. 13. 2,400. Earl A. Clasen - relationship to company not given.

**Placer Development Ltd.** 4,300 common shares at \$19.75-\$20.25 open market sales on Nov. 21 and 24. 5,052. Hubert R. Whittall, director.

**Placer Development Ltd.** 6,000 common shares at \$19.75 open market sale on Nov. 25. 55,248. John D. Simpson, director.

**Plant Industries, Inc.** 8,500 common shares at \$9.25-\$10 open market sales between Nov. 12 and 21. 22,807. William H. Roper, officer and director.

**Plantronics, Inc.** 1,600 common shares at \$15 1/4-\$17 1/4 sales between Nov. 11 and 26. 20,000. William G. Symons, vice president.

**Pratt & Lambert, Inc.** 500 common shares at \$10 1/4-\$10 1/2 open market sales on Nov. 28. 500. Robert S. Scheu, director.

**Pulaski Furniture Corp.** 1,000 common shares at \$11.50 sale on Nov. 7. 7,465. James E. Galleher, director.

**Rainbow Resources, Inc.** 4,000 common shares at \$6 3/16-\$6 3/4 open market sales on Sept. 5, 18, and 22. 122,400. William J. Barrett, vice president and director. AMENDMENT

**Reliance Universal, Inc.** 400 common shares at \$7.75 sale on Nov. 3. 1,994. John C. Merritt, vice president and director.

**Reynolds Metals Co.** 5,400 common shares at \$21 open market sales on Nov. 3, 5, and 6. 266,502. Richard S. Reynolds Jr., chairman of the board.

**Rucker Co.** 2,000 common shares at \$15.875 rule 144 sale on Nov. 26. 309,307. Clarence J. Woodard, chairman of the board and chief executive officer.

**Ryland Group, Inc.** 20,000 common shares at \$10.25-\$11.25 sales between Nov. 3 and 26. 1,121,000. James P. Ryan, chairman of the board and president.

**Safeway Stores, Inc.** 5,000 common shares at \$44.25 sale on Nov. 10. 27,425. Quentin Reynolds, chairman of the board.

**Sambo's Restaurants, Inc.** 250,000 common shares at \$17 sale (public offering) on Nov. 26. 801,629. Sam Battistone Sr., co-chairman of the board of directors.

**Schering-Plough Corp.** 6,001 common shares at \$55.50-\$56.50 open market sales between Nov. 14 and 19. 2,106,538. Abe Plough, director and chairman of the board.

**Sea Containers, Inc.** 13,675 common shares at \$12.85 open market sale on Nov. 12. 76,749. Philip J.R. Schlee, director.

**Searle (G.D.) & Co.** 500 common shares at \$16 open market sale on Nov. 6. 12,444. Kenyon D. Bowes, senior vice president.

**Seven-Up Co.** 2,000 common shares at \$34.25 and \$35.75 open market sales on Nov. 13 and 14. 40,000. Garret F. Meyer, director.

**Shell Oil Co.** 10,000 common shares at \$47.19 open market sale on Nov. 18. 300. Harold Bridges, president and director.

**Signal Companies, Inc.** 4,789 common shares at \$14 1/4 open market sale on Nov. 20. 2,365. Henry J. Nave, director.

**Skyline Corp.** 2,600 common shares at \$16.25 open market sales on Nov. 12, 13, and 17. 453,980. Samuel P. Mandell, former director.

## Canadian Pacific Limited

### DIVIDEND NOTICE

At a Meeting of the Board of Directors held today, a final dividend of forty-three point five cents (43.5¢) per share on the outstanding \$5.00 par value Ordinary Capital Stock was declared in respect of the year 1975, of which twenty-one point five cents (21.5¢) per share is the proceeds of a dividend from Canadian Pacific Investments Limited, payable in Canadian funds on January 28, 1976, to shareholders of record as at the close of business on December 29, 1975.

By order of the Board,

J. C. Ames,  
Secretary.

Montreal, December 8, 1975.

**Smith International, Inc.** 10,000 common shares at \$24.75-\$26 open market sales on Oct. 29. 142,284. Harold H. Smith, director.

**Smith's Transfer Corp.** 300 class A common shares at \$12.185 open market sale on Oct. 23. 12,328. William G. Fitz-Hugh, director.

**Smith's Transfer Corp.** 1,000 class A common shares at \$14 open market sale on Nov. 12. 152,018. Randolph P. Harrison, director.

**Southland Royalty Co.** 700 common shares at \$44.625 open market sale on Nov. 10. 5,097. J. Miller Goodger, vice president and chief geologist.

**Stone Container Corp.** 500 common shares at \$11.50 open market sale on Sept. 19. 165,438. Roger W. Stone, president and director.

**Sybron Corp.** 1,800 common shares at \$17-\$17 1/4 open market sales on Nov. 12 and 21. 87,126. Peter J. Scott, group vice president.

**Syntex Corp.** 8,000 common shares at \$33.125 open market sale on Nov. 6. 2,000. Alexander D. Cross, vice president.

**Taco Bell** 5,000 common shares at \$24.50-\$24.625 open market sales on Nov. 11. 25,374. John R. Gorman Jr., executive vice president.

**Tandy Corp.** 1,000 common shares at \$49.25 sale on Nov. 19. 36,613. Alfred H. Hauser, director.

**Technicare Corp.** 3,000 common shares at \$22 1/2-\$22 3/4 open market sales between Sept. 22 and Oct. 17. 42,791. Joseph W. Powell Jr., chairman of the board.

**Texas Instruments, Inc.** 14,000 common shares at \$90-\$97 open market sales between Sept. 19 and 25. 5,190. Edward S. Hill, vice president.

**Trans World Airlines, Inc.** 283 shares (type - not specified) at \$6 1/4-\$7 open market sales on Oct. 6. 0. Mark L. Requa, vice president.

**Tropicana Products, Inc.** 100 common shares at \$24.25 open market sale on Oct. 23. 63,300. Ralph Nicosia, director.

**Tropicana Products, Inc.** 100 common shares at \$24 1/4 open market sale on Nov. 21. 63,200. Ralph Nicosia, director.

**Tymshare, Inc.** 1,000 common shares at \$20.25 open market sale on Nov. 14. 57,080. Anthony M. Lamport, director.

**UAL, Inc.** 6,000 common shares at \$24 1/4-\$26 1/2 open market sales on Nov. 18, 19, and 20. 84,456. Edward E. Carlson, chairman of the board and director.

**Union Camp Corp.** 1,499 common shares at \$73 1/4-\$74 1/8 open market sales on Nov. 6 and 7. 1,500. Samuel M. Kinney Jr., president and director.

**Union Camp Corp.** 77 common shares at \$76.125 open market sale on Nov. 18. 500. David K. Green, vice president.

**Union Camp Corp.** 200 common shares at \$77 open market sale on Nov. 20. 285. Herbert S. Beggs, vice president.

**Warner Communications, Inc.** 3,000 common shares at \$19-\$20 open market sales on Nov. 5 and 10. 144,984. Edward Rosenthal, vice chairman of the board.

**Warner-Lambert Co.** 1,000 common shares at \$36.25 open market sale on Nov. 13. 12,298. Edmund B. Giblin, director. See INSIDER TRADING, page 17

## Dividend on common shares

The Board of Directors of Columbus and Southern Ohio Electric Company, on December 4, 1975, declared a dividend of fifty-one cents (51¢) per share on the outstanding Common Shares of the Corporation, payable on January 10, 1976 to shareholders of record at the close of business on December 24, 1975.

G. C. SHAFER  
Secretary

COLUMBUS AND SOUTHERN  
OHIO ELECTRIC COMPANY

# Opinion

## An SEC look at bankers, brokers, the market system

RODERICK M. HILLS

We are beset by change — often a rapid and turbulent change, caused not by Congress or the SEC — but propelled by new economic realities.

First, there is a great fear and perhaps a great danger that the capital needs of the next ten years or so cannot be met by traditional methods, and that we will be forced to turn repeatedly to more concerned financial sources, even to forms of state capital.

A ramification of this fear is that banks and similar financial institutions could expand their role and thus displace others in the industry, and that this further concentration of financial power will reduce this great and healthy diversity we have today in our sources of capital.

To use the words of a very recent paper by the Treasury Department:

"The concentration of investment advice in a small number of large institutions

Roderick M. Hills is the chairman of the Securities and Exchange Commission.

could adversely affect the liquidity and stability of the securities markets."

### Bank incursions

There are no easy solutions, but I do know that it is our responsibility to deal with this issue. There are obviously some incursions today by the banking industry into the traditional securities industry. Which of these should continue and which should end are matters of legitimate debate. I do feel certain that the matter needs better resolution. Initially, of course, we must know how to measure the consequences to our economy of any such changes.

There appears to be today strong interest in reviewing the Glass-Steagall Act. Understandably, some in the securities industry have expressed concern. I am sure they will agree, however, that we should not shrink from this review. The real issues include these:

Is there any reason to believe that there is a need for bank participation as dealers and underwriters in corporate securities in order to assure sufficient sources of capital to American business?

What effect would any erosion of the general understandings of Glass-Steagall have on banks' functions in allocating credit; and what effect would it have on the soundness of the banking system?

To what extent should banks be permitted to solicit brokerage-type business?

Is it important to have a segregation of financial functions mandated by law in order to eliminate unmanageable conflicts of interest and to build into our financial system a set of independent checks and balances to allocate capital and credit?

In short, how can we both meet our needs for capital and yet prevent undue concentration in the financial markets of our nation?

The Glass-Steagall Act effected an organic change in the structure of America's capital and financial markets. Let us reduce the heat of the argument and focus with some precision upon what is good and what is bad about the status quo, and about any further changes that may occur.

We will cause such a focus at the SEC, and, while we will certainly not be blindly partisan, we can and should be professionally vocal in pointing out the dangers in the securities industry in the road ahead.

I asked one of our staff members if we had sufficient economic models to test the effects that greater financial concentration in the future would have on this industry and on the economy. He answered that you can't test a scarecrow without crows.

Translated, we must develop better economic models for forecasting. We will do so.

Second, there is no question but that corporations recovering from the economic slow-down of the last several years need to raise equity capital for future growth, and for debt repayment, but many are unable to do so, in part because investors today appear to be looking for more dividend yield.

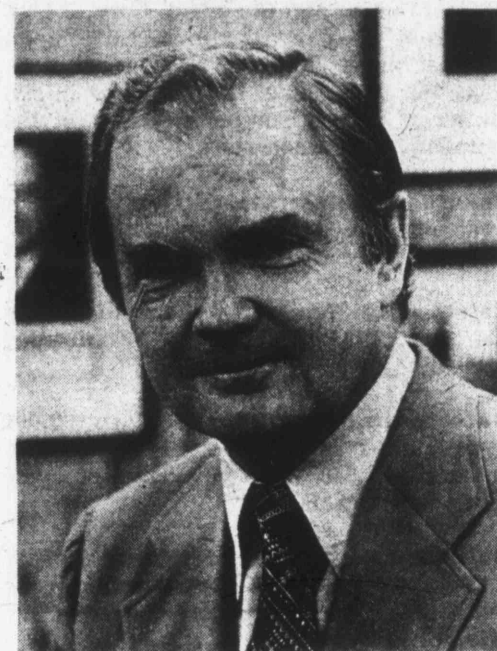
To provide that yield, to provide more capital and to attract more investors, the Administration is asking for better tax treatment for dividends. That seems to be a sound position, and we shall attempt to provide sound economic evidence that is relevant to this proposal. If such tax treatment is needed for strong capital markets, then it is, I believe, our responsibility to say so!

Third, it is apparent that small and middle sized firms have even fewer capital alternatives. Banks, stung by the go-go years, seem to have less interest in supporting developing companies. There is no simple answer, of course, but even identifying the problem can help. And, there may be small steps that the SEC can take. For example, if we could give new vitality to the Regulation A exemption, we might well trigger new capital for developing companies.

Many feel that Regulation A has outlived its usefulness, that the Commission's most prudent course of action is simply to preside over its orderly demise. I do not agree — it should at least be an important tool for newer companies striving to raise their initial equity. I shall not easily preside over its burial.

Studies by the Commission's Office of Economic Research into the issues raised by Regulation A are in progress, and one of the Commission's regional offices has conducted a study of Regulation A of offerings in its region to determine the present status of those issuers and the effectiveness of the exemption. The results of these studies will aid the Commission in its continuing efforts to provide small companies with every opportunity to participate in our capital markets. If thoughtful research reconfirms my prejudices, we can seek a raise in the exemption from its \$500,000 level to \$1,000,000, and redouble our efforts to simplify its use. I offer no promises other than the promise to make a responsible effort.

We can generally, I believe, redouble efforts already under way to alleviate the burdens of regulations that unnecessarily arise and which are a particular problem



RODERICK M. HILLS

for the smaller company.

Fourth, there is today widespread controversy over the workings of our public market mechanism — the SEC did not start the fight and the problem will not go away if we say it doesn't exist. We must face the problem, which means first of all that we must understand it.

Let me dwell on this issue, not because it is more important than the others, but because it offers a dramatic example of what is wrong with our present dialogue. Last May, the Commission caused competition in brokerage rates, and we now threaten to change restrictions on so-called off-board trading and to implement a national market system. Is all this being done to destroy our present system, our present exchanges? Of course not!

Congress has said that it is in the "public interest ... to assure ... fair competition ... between exchange markets and markets other than exchange markets ..."

The 1975 law also finds that "the linking of all markets for qualified securities through communication and data processing facilities" will further these goals.

More pertinently, Congress has directed the Commission "to facilitate the establishment of a national market system for securities..."

The SEC did not lobby for this legislation, nor are we sure what it will take to fulfill its mandate.

### Changed markets

We know that our stock markets are the envy of the world, and that their continued vitality is an essential component of a strong economy. But, we also know that these markets are being changed by economic, Congressional, and public pressures: Changes of a dramatic nature have occurred, and they will continue to occur, regardless of Congressional or Commission action.

Our choices are simple and obvious. We can be prudent and constructive together, or forces less constructive, less prudent will make the changes for us.

The Commission must be committed to a search for, and the development of, the national market system that the Congress has ordered. Our failure would mean only that another Commission would begin again on a new effort, or worse, that Congressional impatience will take the step by fiat.

I am confident, however, that the Commission and the National Market Advisory Board will receive the cooperation of the securities industry, and particularly of the exchanges, and that a sensible, prudent course of action will evolve.

Let me turn to a matter of more pressing concern. The Commission has released the first monitoring report assessing the impact of the decision last May to unfix commission fees, on the securities markets. The report, in my judgment is quite well done. But, as a first effort, it obviously has limitations, and it

See SEC, page 24



Eliot Janeway

## The milk lobby collects its NYC dues

Special to the Chronicle

Milk is pure, but the dairy lobby has been around. So has former Congressman Hugh Carey, present Governor of New York. Thanks to his mastery of the arts of congressional persuasion, votes from milk sheds around the country stood up to be counted on New York City's side of the recent argument in Washington. Apartment dwellers in the Bronx and Brooklyn are not given to keeping cows, but now the milk lobby in Washington is giving them an opportunity to return the political favor.

The New York City crisis started out as a local issue but was caught up in the national mainstream overnight. Dairy lobbyists feel more at home putting the arm on congressmen than putting the milkers on cows. No game of tit for tat between congressmen from the milk sheds and congressmen from the supermarkets could have remained local politics.

The dairy farmers paid through the nose during the entire Watergate nightmare for being well organized. They've been in enough economic trouble to need to be. Attrition from going broke has thinned their ranks by about one-third over a couple of years. When other farm groups were cleaning up on boom-time prices, dairy farmers were feeling the squeeze by paying high costs for feed.

While Watergate was making headlines and the grain markets were booming, the dairy farm depression was lost in the shuffle. True, just about every state has a milk shed. But while the political heat was on, each was shrugged off as a local Appalachia. Now that the grain markets are breaking, dairy farmers are not benefiting; and grain growers are sharing their misery. In Washington the focus of farm bloc lobbying is shifting from government management of export sales to government subsidies for domestic production.

The New York City crisis put the spotlight on welfare for slum dwellers. The farm crisis is training it on equal rights for dirt-road welfare claimants. One principle that's axiomatic in politics is that two wrongs make a right. During the last farm depression, the advocates of domestic production subsidies and price supports described their remedies as nothing but "a

domestic protective tariff." The most persuasive reason given on Capitol Hill for voting aid to New York was that we give bigger handouts to foreign governments guilty of worse mismanagement.

On the same tried and true principle, the farm bust now brewing is beginning to be advertised throughout the country's farm belts as an opportunity to go on welfare, New York style. The dairy lobby and other farm blocs may be in worse economic shape than they were a year or two ago, but they are in demonstrably better political shape. For the first time in history they can count on a solid New York congressional delegation for go-along votes.

Suddenly, the time-honored conflict of interest between rural producers and urban consumers is off; the two have now combined and are swapping payoffs. The New York lobby wanted Washington to put up money to keep things as they were. The dairy lobby wants Washington to put up money to keep things from getting any worse.

"What have you done for us lately?" was the uniform reaction of New Yorkers the day Washington came through with its first handout. The dairy farmers can be expected to ask the same question after a solid New York City delegation pays its dues to the milk lobby by casting a solid bloc vote for higher dairy-support prices. Higher prices for milk, butter and cheese during an unemployment crisis will please neither farmers nor consumers — neither will the lower sales they portend during a crisis of market glut. Higher food prices during a farm depression will be the last straw, and no good-natured punning about it.

Depressions always produce frenetic political action. The last depression inspired the late self-styled Kingfish, Huey Long, to stir up a beehive of political activity aimed at "sharing the wealth." "Every man a king," he promised. One mark of progress achieved in these 40 years is that now our leaders are claiming credit for "sharing the misery." "A bailout for every bloc" is the order of the day. But the politics of poverty will not lead us back to the promised land of plenty.

# Insider Trading

Continued from page 15  
chairman and chief executive officer.

Wells, Rich, Greene, Inc. 6,000 common shares at \$9 private sale on Nov. 26. O. Warren J. Kratky, director.

Western Publishing Co., Inc. 5,000 common shares at \$12.50 and \$13.75 sales on Nov. 3 and 13. 24,120. William A. Naleid, former officer and director.

Wetterau, Inc. 940 common shares at \$15.25 open market sale on Oct. 22. 143,909. John S. Brizendine, vice president and director.

Weyerhaeuser Co. 7,000 common shares at \$36.75-\$36.875 open market sales on Nov. 3. 6,218. John W. Creighton Jr., vice president.

Wickes Corp. 4,000 common shares at \$9 open market sale on Nov. 5. 3,452. Ralph J. Zemanek, senior vice president.

## Purchases

Adams Express Co. 200 common shares at \$9 $\frac{1}{2}$ -\$9 $\frac{1}{4}$  open market purchases on Nov. 13 and 14. 200. Robert J.M. Wilson, president and director.

Aid Auto Stores, Inc. 500 common shares at \$2 open market purchase on Oct. 24. 16,500. Herbert Eisenberg, chairman of the board of directors.

Alberto-Culver Co. 257,050 common shares at \$6.625 private purchase on Nov. 7. 1,753,188. Leonard H. Lavin, director, president and beneficial owner of more than ten per cent of the common stock.

American Greetings Corp. 200 class A common shares at \$7 $\frac{1}{2}$ -\$8 $\frac{1}{2}$  open market purchases on Oct. 3 and 13. 1,094. Robert Swilik, assistant vice president.

American Service Corp. 1,350 class A common shares at \$1.875-\$2 purchases on Oct. 16 and 22. 141,404. Isadore Herskowitz, board chairman, treasurer and owner of more than ten per cent of the common stock.

Arltru Bancorporation 172 capital shares at \$20 purchases on Oct. 1 and 22. 177,160. Daniel J. Murphy Jr., president, director and ten per cent stockholder.

Armada Corp. 4,900 common shares at \$5-5 $\frac{1}{2}$  open market purchases between Sept. 24 and Oct. 28. 215,812. Leonard Friedman, vice president and director.

AVX Corp. 700 common shares at \$4 $\frac{1}{2}$  open market purchase on Oct. 22. 5,123. A. Robert Towbin, director.

AVX Corp. 17,500 common shares at \$4-\$5.50 purchases between Nov. 7 and 24. 99,365. Marshall D. Butler, director and chairman of the board.

Baker Brothers, Inc. 1,000 common shares at \$2.25-\$2.75 open market purchases on Oct. 20 and 30. 2,000. Jack S. Faulkner, secretary-treasurer.

BanCal Tri-State Corp. 4,200 common shares at \$15 open market purchases between Nov. 11 and 20. 951,300. Edmond de Rothschild, beneficial owner of more than ten per cent of the company's common stock.

BanCapital Financial Corp. 3,500 common shares at \$10.75 open market purchase on Nov. 18. 3,811. Robert T. Present, president and director.

BancOhio Corp. 500 common shares at \$15.50 purchase on Nov. 26. 800. Alan D. Johnson, vice president.

Bancorporation of Montana 100 common shares at \$15 purchase on Nov. 5. 5,200. William B. Ellis, director.

Bank of New York Co., Inc. 2,300 common shares at \$27.50 and \$27.75 open market purchases on Nov. 25 and 26. 5,280. Samuel H. Woolley, director.

Barnett Banks of Florida, Inc. 500 common shares at \$10 $\frac{1}{2}$  open market purchase on Oct. 17. 700. Otto W. Souder, vice president.

Bemis Co., Inc. 500 common shares at \$12.75 open market purchase on Nov. 21. 1,891. John N. Dempsey, vice president and director.

Bendix 78 common shares at \$41.21 purchase on Sept. 30. 485. Wilbur J. Cohen, director.

Beneficial Corp. 600 common shares at \$18 $\frac{1}{2}$ -\$18 purchases on Nov. 12 and 19. 131,571. Finn M.W. Caspersen, director and vice president.

Beverage Management, Inc. 200 common shares at \$8.50 purchase on Oct. 20. 4,400. John B. Gerlach, director.

Beverly Enterprises 1,000 common shares at \$1.25 open market purchase on Oct. 16. 3,063. Robert L. Gordon, director and chairman of the board.

Bluebird, Inc. 22,900 common shares at \$2.75-\$3.50 open market purchases between Nov. 4 and 21. 712,100. Joel W. Greenberg,

Carson Pirie Scott & Co. 500 common shares at \$13.5 private purchase on Nov. 17. 1,485. Daniel M. Fort, vice president and secretary.

Centennial Turf Club, Inc. 700 common shares at \$6 open market purchase on Nov. 6. 19,882. Richard S. Shannon Jr. - relationship to company not given.

Central Hudson Gas & Electric Corp. 110 common shares at \$16 $\frac{1}{2}$  open market purchase on Nov. 6. 410. James R. Breed, director.

Central Hudson Gas & Electric Corp. 200 common shares at \$16 $\frac{1}{2}$  open at market purchase on Nov. 6. 1,200. L. Wallace Cross, vice president.

Central Hudson Gas & Electric Corp. 100 common shares at \$16.875 open market purchase on Nov. 6. 600. Herbert L. Shultz, director.

Central National Bancshares, Inc. 300 common shares at \$7.75 open market purchase on Nov. 11. 1,908. James R.

10, 14, and 19. 37,500. Leonard Dalsemer, director.

Coastal States Corp. 2,000 common shares at \$4.25 open market purchase on Nov. 6. 44,039. Thomas D. Worthington, director.

Coca-Cola Bottling Co. of New York, Inc. 600 common shares at \$6.90 purchases on Sept. 9 and 10. 49,552. Edward P. Lewis, director and consultant.

Colgate Palmolive 100 common shares at \$29.50 open market purchase on Oct. 10. 400. J. Henry Smith, director.

Colonial Stores, Inc. 300 common shares at \$22 $\frac{1}{4}$ -\$22 $\frac{3}{4}$  open market purchases on Oct. 28. 14,325. C.T. Williams Jr., director.

Comdisco, Inc. 500 common shares at \$2 $\frac{1}{2}$  open market sale on Oct. 23. 18,400. Michael J. O'Connell, director and executive vice president.

Commercial Shearing, Inc. 200 common shares at \$18.75 open market purchase on Oct. 10. 500. Philip N. Winkelstern, vice president.

Communications Properties, Inc. 50,000 common shares at \$2 $\frac{1}{2}$  private purchase on Nov. 18. 190,985. Robert W. Hughes, president.

Computer Automation, Inc. 600 common shares at \$10.865 open market purchase on Nov. 21. 600. John K. Byerlein, vice president.

Continental Western Industries, Inc. 500 common shares at \$3 open market purchase on Sept. 30. 3,001. William E. Timmons, director.

Corroon & Black Corp. 300 common shares at \$19 $\frac{1}{4}$ -\$19 $\frac{3}{4}$  purchases on Nov. 10. 40,594. Frank M. Hagan, director and vice president.

Crane Co. 200 common shares at \$45 $\frac{1}{2}$  open market purchase on Nov. 28. 652. Joseph V. Quarles, director.

Crystal Oil Co. 1,000 common shares at \$7.50 open market purchase on Nov. 7. 1,000. L. Ray Miller, senior vice president.

Dayco Corp. 1,100 common shares at \$11 $\frac{1}{2}$  open market purchases on Nov. 21 and 24. 4,600. Herman H. Kahn, director.

Dial Financial Corp. 1,000 common shares at \$9 $\frac{1}{2}$  open market purchase on Nov. 6. 190,046. Richard S. Levitt, director and president.

Diebold Venture Capital Corp. 9,300 capital shares at \$3.62-\$4 open market purchases between Nov. 4 and 12. 166,200. Erik E. Bergstrom, beneficial owner of more than ten per cent of capital stock.

Diversified Earth Sciences, Inc. 4,000 common shares at \$0 11-16 and \$0 $\frac{3}{4}$  open market purchases on Oct. 13. 8,514. Jules J. Dobkin, senior vice president.

Domain Industries, Inc. 200 common shares at \$7.50 open market purchase on Nov. 14. 910. Paul W. Kraemer, director.

Donaldson Co., Inc. 100 common shares at \$15.88 open market purchase on Oct. 9. 1,275. George H. Dixon, director.

DPF, Inc. 1,000 common shares at \$4 $\frac{1}{2}$  open market purchases on Nov. 7, 10, and 12. 5,000. Arthur B. Kramer, director.

Duke Power Co. 100 common shares at \$17 $\frac{1}{2}$  open market purchase on Oct. 15. 2,140. A.M. Doolittle, vice president.

Duncan Electric Co., Inc. 200 class A common shares at \$6 open market purchase on Nov. 11. 750. Robert H. Kilmore, director, vice president and secretary.

Duncan Electric Co., Inc. 233 class A common shares at \$6 open market purchase on Nov. 12. 16,653. Kendall S. Smith, director and vice president.

Eastern Air Lines, Inc. 10,524 common shares at \$4.50 open market purchase on Oct. 3. 21,048. James A. Elkins Jr., director.

Eastern Air Lines, Inc. 1,500 common shares at \$4 purchase on Nov. 11. 2,400. Bernard A. Schriever, director.

Edo Corp. 5,300 common shares at \$5 $\frac{1}{2}$ -\$5 $\frac{1}{4}$  open market purchases between Nov. 10 and 21. 114,300. Henry D. Clarke Jr., indirect owner of more than ten per cent of outstanding common stock.

Elcor Chemical Corp. 500 common shares  
See INSIDER TRADING, page 18

## Largest Transactions Reported This Week

Company	Shares	Total Reported Transactions	Total \$\$\$ Amount
<b>Purchases</b>			
Alberto-Culver Co. ....	257,050	1	1,702,956
Medical Investment Corp. ....	626,019	1	550,896 est.
Kawer Resources Ltd. ....	47,900	3	480,249 est.
Southdown, Inc. ....	33,000	1	342,540 est.
General American Investors Co. Inc. ....	24,900	1	235,056 est.
King Lovie International, Inc. ....	46,922	2	234,610
International Rectifier Corp. ....	25,000	1	200,000
<b>Sales</b>			
Sambo's Restaurants, Inc. ....	250,000	1	4,250,000
Orange-Co., Inc. ....	112,500	2	1,482,187
Texas Instruments, Inc. ....	14,000	1	1,309,000 est.
Capital Holding Corp. ....	32,000	1	744,000 est.
C.I.T. Financial Corp. ....	21,700	1	599,571 est.
Marsh & McLennan Companies, Inc. ....	8,500	1	482,375 est.
Shell Oil Co. ....	10,000	1	471,900
Becton Dickinson & Co. ....	13,100	1	459,286 est.
Archer-Daniels-Midland, Inc. ....	11,000	1	418,000
General American Oil Co. of Texas ....	10,000	1	387,500
Emerson Electric Co. ....	10,000	1	351,900 est.
Scherag-Plough Corp. ....	6,001	1	336,056 est.
Hont (Philip A.) Chemical Corp. ....	28,600	1	336,050 est.
Intel Corp. ....	4,374	1	332,424
Mountain Banks Ltd. ....	15,418	1	286,774
Syntex Corp. ....	8,000	1	265,000
Baxter Laboratories, Inc. ....	6,500	1	263,250
Weyerhaeuser Co. ....	7,000	1	257,670 est.
Smith International, Inc. ....	10,000	1	253,800 est.
Loehmann's, Inc. ....	15,000	1	236,250 est.
Dover Corp. ....	5,000	1	225,650 est.
Safeway Stores, Inc. ....	5,000	1	221,250
Digital Equipment Corp. ....	1,600	2	216,828 est.
Ryland Group, Inc. ....	20,000	1	215,000 est.
Comtech Laboratories, Inc. ....	16,500	2	214,395 est.
National Semiconductor Corp. ....	5,000	1	210,000
Glenmore Distilleries Co. ....	26,745	1	207,273
Placer Development Ltd. ....	10,300	2	204,500 est.
Northeast United Bancorp Inc. of Texas ....	20,000	2	200,000

beneficial owner of more than ten per cent of the company's common stock.

Branch Corp. 100 class 1 common shares at \$16.50 open market purchase on Sept. 29. 4,200. K.D. Kennedy, director.

Bunker Ramo Corp. 1,000 common capital shares at \$3 $\frac{1}{2}$  open market purchase on Nov. 24. 2,800. Duane L. Burnham, officer.

California Windsor Co. 200 common shares at \$5.25 open market purchase on Oct. 27. 700. Fred L. Ostergaard, vice president.

Caltran Systems, Inc. 8,015 common shares at \$1-\$1.50 purchases on Aug. 21 and Oct. 1. 15,000. John J. Pskowski, executive vice president and general manager.

Capital Corp. of America 3,000 common shares at \$0.375 private purchase on Oct. 20. 47,450. Barton M. Banks, chairman of the board, secretary and director.

Carmine Foods, Inc. 1,500 common shares at \$1 $\frac{1}{4}$ -\$1 $\frac{1}{2}$  open market purchases on Nov. 14 and 17. 223,792. Samuel A. Carmine Jr., chairman of the board and owner of more than ten per cent of the common stock.

Carpenter Paper Co. of Nebraska 200 common shares at \$10.75 open market purchase on Nov. 6. 7,829. Arthur Spence, vice president, treasurer and director.

Murphy, director.

Champion Products, Inc. 200 common shares at \$12 open market purchase on Oct. 30. 305. Eli White Sr., director.

Chatham Corp. 1,000 common shares at \$1.75 open market purchase on Oct. 10. 3,000. George B. Collins, director.

Chem-Nuclear Systems, Inc. 1,500 common shares at \$1.025 private purchase on Oct. 31. 49,975. Lloyd J. Andrews, vice president, secretary and director.

Chem-Nuclear Systems, Inc. 1,500 common shares at \$1.025 private purchase (date not given, but statement dated for October 1975). 23,650. Bruce W. Johnson, president and director.

Citizens Fidelity Corp. 515 common shares at \$23 Den market purchases on Nov. 26. 2,897. Daniel C. Ulmer Jr., executive vice president of Citizens Fidelity Bank & Trust Co., and director.

Clarostat Manufacturing Co., Inc. 500 common shares at \$3 and \$3.25 open market purchases on Oct. 17 and 28. 30,860. Arthur Richenthal, director and secretary-treasurer.

Cleopak Corp. 2,900 common shares at \$14-\$14.25 open market purchases on Nov.

# Insider Trading

Continued from page 17

at \$4.25 open market purchase on Oct. 29. 1,500. Joe K. Creighton, vice president.

Elcor Chemical Corp. 9,000 common shares at \$4.50 private purchase on Nov. 3. 149,348. Robert M. Leibrock, director.

EMC Energies, Inc. 228,500 common shares at \$0.044 private purchase on Aug. 20. 1,090,361. Donald G. Galles, beneficial owner of more than ten per cent of the stock.

Emhart Corp. 200 common shares at \$21 $\frac{1}{2}$  open market purchase on Nov. 12. 4,554. Russell W. Ahlquist, vice president and group executive.

Ennis Business Forms, Inc. 400 common shares at \$4.75 open market purchase on Oct. 3. 900. Roy E. Roberts, director.

Farm House Foods Corp. 500 common shares at \$6.69 open market purchase on Nov. 4. 1,100. Max A. Retzlaff, director.

Ferronics, Inc. 4,565 common shares at \$0.475-\$0.625 open market purchases between Oct. 7 and 30. 56,415. James V. Giancola, director.

First Bancgroup-Alabama, Inc. 7,026 common shares at \$14.50-\$14.75 open market purchases on Nov. 11, 21, and 24. 44,944. Robert E. Lowder, director.

First Bancorp, Inc. 700 common shares at \$22.50 purchase on Aug. 21. 25,150. Robert L. Wheelock Jr., director.

First Bancorporation 900 common shares at an aggregate price of \$3,509.18 open market purchases on Oct. 1, 2, and 21. 10,234. Priscilla L. Guyton, direct and indirect beneficial owner of more than ten per cent of the common stock.

First Great Western Investment Corp. 365,000 common shares at \$0.20 private purchase on Nov. 6. 527,000. William R. Miller, director and president.

First National Charter Corp. 2,600 common shares at \$43 $\frac{3}{4}$  purchases on Nov. 11 and 19. 104,512. Dwight D. Sutherland, director.

First National Financial Corp. 130 common shares at \$13.25 open market purchase on Oct. 28. 750. A. John Todd Jr., director.

First National Holding Corp. 1,000 common shares at \$12 open market purchase on Nov. 5. 35,379. Edward D. Smith, chairman and director.

First Railroad & Banking Co. of Georgia 1,500 common shares at \$7.25-\$7.375 open market purchases on Oct. 3 and 21. 4,554. Gwinn H. Nixon, director.

First Republic Corp. of America 50,000 class A shares at \$1.625 private purchase on Nov. 24. 109,037. Eugene Nimkoff, chairman of the board president and beneficial owner of more than ten per cent of the common stock.

First Virginia Bankshares Corp. 1,000 common shares at \$4 $\frac{1}{2}$  open market purchase on Oct. 30. 10,261. Robert H. Zalokar, director.

Garsite Products, Inc. 1,000 common shares at \$1.50 purchases on Oct. 22 and 29. 67,935. Helen Guarner, secretary-treasurer and director.

General American Investors Co., Inc. 24,900 common shares at \$9 $\frac{1}{2}$ -\$9 $\frac{3}{4}$  purchases between Oct. 1 and 27. 84,104. William T. Golden, director.

General Financial Systems, Inc. 500 common shares at \$3 open market purchase on Nov. 6. 1,700. Richard D. Garbarino, treasurer.

Gulfstream Land & Development Corp. 500 common shares at \$3.50 purchase on Sept. 25. 1,300. Edward Leven, vice president.

Hibernia Corp. 2,000 common shares at \$25 open market purchase on Nov. 28. 12,806. Richard W. Freeman, director.

Honeywell, Inc. 200 common shares at \$33.50 open market purchase on Oct. 29. 6,688. Edson W. Spencer, president, chief executive officer and director.

Houghton Mifflin Co. 300 common shares at \$13 $\frac{3}{4}$  open market purchase on Sept. 30. 5,150. Richard B. McAdoo, senior vice president and director.

International Funeral Services, Inc. 822 common shares at \$2.19 open market purchase on Nov. 1. 4,298. Robert D. Williams, officer and director.

International Rectifier Corp. 25,000 common shares at \$8 private purchase on Nov. 25. 890,265. Eric Lidow, chairman, president and beneficial owner of more than ten per cent of the company's common stock.

Interway Corp. 5,000 common shares at \$5.75 open market purchases on Nov. 19, 20, and 21. 33,230. S. Sidney Kahn, director.

Investment Corp. of Florida 2,000 common shares at \$1 $\frac{1}{2}$  open market purchases between Oct. 14 and 29. 24,500. Joseph W. Venable, director.

Iowa Public Service Co. 100 common shares at \$16.75 open market purchase on Nov. 3. 700. Robert J. Reideler, vice president.

Kaiser Resources Ltd. 2,000 common shares at \$10.50 purchase (secondary underwriting) on Oct. 7. 8,500. Graham R. Dawson, vice chairman of the board of directors.

Kaiser Resources Ltd. 3,000 common shares at \$9.75-\$10.125 open market purchases between Nov. 3 and 18. 25,000. Howard E. Cadinha, director and vice president.

KAISER Resources Ltd. 42,900 common shares at \$9.88-\$10.13 open market purchases between Nov. 3 and 28. 113,400. Edgar F. Kaiser Jr., director, chairman of the executive committee, president and chief executive officer.

Kane-Miller Corp. 300 common shares at \$13.375 open market purchase on Oct. 27. 1,051. Robert N. Peterson, director.

Kayot, Inc. 1,000 common shares at an aggregate price of \$3,750 open market purchase on Nov. 14. 15,061. William C. Blethen, member of the board of directors.

King Louie International, Inc. 23,461 class A common shares at \$5 private purchase on Nov. 28. 29,224. Meyer Lerner, director and chairman of the board.

King Louie International, Inc. 23,461 class A common shares at \$5 private purchase on Nov. 28. 26,961. Michael H. Milens, director and executive vice president.

Knudsen Corp. 1,547 common shares at \$8.75 private purchase on Aug. 29. 5,865. L. David Cole, vice president.

Lamson & Sessions Co. 200 common shares at \$12 open market purchase on Nov. 4. 343. Charles H. Judd, director.

Lucky Stores, Inc. 800 common shares at \$15 open market purchase on Nov. 19. 6,012. John H. Hoefler, director.

Measurex Corp. 2,000 common shares at \$11 $\frac{1}{2}$ -\$11 $\frac{1}{2}$  open market purchases on Nov. 20. 11,079. John W. Larson, secretary and director.

Medical Investment Corp. 626,019 common shares at \$0.50-\$1.25 purchases on Nov. 1 and 17. 820,098. Thomas K. Scallen, president.

Meenan Oil Co. 10,300 common shares at \$5 open market purchases between Nov. 5 and 21. 51,900. Clarence M. Schwerin III, director.

Meridian Investing & Development Corp. 3,000 common shares at \$1 $\frac{1}{2}$ -\$1 $\frac{1}{2}$  open market purchases on Nov. 7, 10, and 11. 12,500. James L. McMahan, vice chairman of the board.

Minnetonka Laboratories, Inc. 2,000 shares (type - not specified) at \$1.50 open market purchase on Nov. 10. 2,500. Albert R. Whitman, director.

Mission Investment Trust 1,800 shares of beneficial interest at \$0.11-\$0.34 open market purchases between Oct. 14 and 31. 1,800. Byron B. Webb Jr., trustee.

Mohasco Corp. 100 common shares at \$12.75 open market purchase on Oct. 6. 100. Edward D. Curren, vice president.

Mooney Broadcasting Corp. 500 common shares at \$2.25 private purchase on Oct. 15. 90,430. George P. Mooney, president and director.

Moore Products Co. 1,400 common shares at \$7 $\frac{1}{4}$ -\$7 $\frac{3}{4}$  open market purchases between Nov. 11 and 20. 402,980. Coleman B. Moore, chairman of the board and holder of over ten per cent of the outstanding common stock.

Motor Coils Manufacturing Co. 1,500 common shares at \$0.75-\$0.95 open market purchases on July 2, Aug. 4, and Oct. 9. 160,680. Nancy G. Lauro, secretary-treasurer, director and ten per cent shareholder.

MWA Co. 212 common shares at \$6.50 open market purchase on Oct. 22. 31,500. Albert F. Hasty, officer and director.

Nashua Corp. 100 common shares at \$11 open market purchase on Oct. 31. 100. Frances T. Kusiak, assistant secretary.

Northrop Corp. 1,000 common shares at \$33 open market purchase on Nov. 17. 1,350. Clair L. Peck, director.

O'Sullivan Corp. 2,100 common shares at \$7.50 open market purchases on Nov. 11 and 21. 230,607. John C.H. Bryant, chairman of the board of directors.

Phillips-Foscue Corp. 1,000 common shares at \$2.125 open market purchase on Nov. 12. 33,075. John P. Hailey, chairman of the board.

Realty Industries, Inc. 2,000 common shares at \$1.75 open market purchases on Nov. 17 and 20. 9,500. Robert P. Buford, director and secretary.

Restaurant Associates Industries, Inc. 1,000 common shares at \$1 open market purchase on Nov. 6. 3,013. Sidney L. Klepper, executive vice president and director.

RLI Corp. 2,000 common shares at \$4 $\frac{1}{2}$ -\$4 $\frac{3}{4}$  open market purchases on Nov. 10 and 14. 17,000. Bernard J. Daenzer, director.

RSC Industries, Inc. 700 common shares at \$1.50 open market purchases on Oct. 15 and 16. 239,750. John M. Richardson, chairman of the board, president and chief executive officer.

Ryan Homes, Inc. 2,400 common shares at \$6.75 purchase on Oct. 20. 2,864. Dwight C. Schar, vice president and regional manager.

St. Paul Companies, Inc. 200 common shares at \$26 $\frac{7}{8}$  open market purchase on Aug. 29. 1,000. Richard L. Gunderson, vice president and assistant to the president.

St. Paul Companies, Inc. 200 common shares at \$24 open market purchase on Sept. 18. 1,200. Richard L. Gunderson, vice president and assistant to the president.

St. Regis Paper Co. 179 common shares at \$32 and \$32.375 purchases on Oct. 29 and 30. 500. Baldwin Maull, director.

Scherer (R.P.) Corp. 5,000 common shares at \$8.50 open market purchase on Nov. 6. 1,795,200. Karla Scherer Fink, beneficial owner of more than ten per cent of the company's common stock.

Scientific Industries, Inc. 2,000 common shares at 0 $\frac{7}{8}$  open market purchase on Oct. 2. 24,437. Lowell A. Kleiman, president and director.

Scotty's, Inc. 200 common shares at \$6.25 purchase on Nov. 17. 3,200. Ray H. Cooney, president.

Sentry Manufacturing Co. 20,700 common shares at \$7 $\frac{1}{2}$ -\$7 $\frac{3}{4}$  open market purchases between Nov. 18 and 28. 75,290. Joe C. Norman, director.

ServiceMaster Industries, Inc. 100 common shares at \$24 purchase on Nov. 20. 100. Wesley I. Schmidt, director.

ServiceMaster Industries, Inc. 89 common shares at \$24.50 purchase on Nov. 21. 1,130. Joseph I. Weeks, vice president.

Shawmut Corp. 276 common shares at \$29.25 open market purchase on Nov. 1. 4,214. D. Thomas Trigg, chairman of the board and director.

Shopwell, Inc. 1,000 common shares at \$1.25 purchases on Nov. 13 and 17. 6,000. G. Michael Parisi, vice president.

Southdown, Inc. 33,000 common shares at \$10-\$10.75 open market purchases between Nov. 3 and 18. 393,000. S.H. Scheuer, ten per cent shareholder.

Southern Cross Industries, Inc. 1,222 common shares at \$1 purchase on Oct. 9. 19,423. Harry S. Samuels, director.

Standard Products Co., Inc. 300 common shares at \$15 open market purchases on Oct. 23. 13,062. Edward J. Mellen, member of the board of directors.

Sullivan County Harness Racing Association, Inc. 500 class A voting common shares at \$3.50 private purchase on Oct. 23. 3,000. Paul G. Killian Jr., director.

Sunshine Mining Co. 100 common shares at 11 $\frac{1}{2}$  open market purchase on Oct. 31. 33,901. Irwin P. Underweiser, chairman of the board of directors.

Sutro Mortgage Investment Trust 634 shares of beneficial interest at \$9.43 private purchase on Nov. 11. 7,131. Robert Sutro, chairman of the board of trustees.

Technicolor, Inc. 1,000 common shares at \$5 $\frac{1}{2}$  open market purchase on Nov. 13. 1,200. Fred R. Sullivan, director.

Telephone & Data Systems, Inc. 200 common shares at \$6.75 open market purchase on Oct. 21. 26,745. K.C. August, vice president and director.

Texas American Bancshares, Inc. 1,000 common shares at \$14.50 open market purchase on Nov. 7. 5,810. Alonzo L. Scott, director.

Third National Corp. 7,500 common shares at \$15.25 purchase on Nov. 29. 50,000. D. R. Buttrey, president and director.

Turf Paradise, Inc. 800 common shares at \$5.50 and \$5.75 open market purchases on Oct. 7 and 21. 60,303. Herbert W. Owens, director.

Union Trust Bancorp 1,500 common shares at \$19.25 open market purchase on Nov. 7. 294,608. Morton K. Blaustein, director and ten per cent stockholder.

United Foods, Inc. 2,000 common shares at \$1.375 open market purchase on Nov. 17. 193,200. Frank Z. Jemison, director.

United Merchants & Manufacturers, Inc. 10,000 common shares at \$13 purchase on Oct. 29. 12,500. Herman H. Kahn, director.

United Park City Mines Co. 1,000 capital shares at \$1.50 purchases on Nov. 12 and 13. 2,000. E. L. Osika, secretary-treasurer.

United Realty Trust 500 shares of beneficial interest at \$5.25 open market purchase on Oct. 1. 11,450. Maxwell E. Greenberg, trustee.

United Realty Trust 500 shares of beneficial interest at \$5 open market purchase on Nov. 4. 11,950. Maxwell E. Greenberg, trustee.

U.S. Bancorp 100 voting common shares at \$19.75 open market purchase on Oct. 28. 8,500. LeRoy B. Staver, director.

U.S. Leasing Real Estate Investors 500 shares of beneficial interest at \$4 $\frac{3}{4}$  open market purchase on Oct. 3. 5,500. Berkeley D. Johnson, trustee.

Univar Corp. 108 common shares at \$26.75 purchase on Nov. 3. 941. Harry Speiser, secretary.

Univest Corp. of Pennsylvania 84 common shares at \$26 and \$30 open market purchases on Oct. 7 and 16. 4,183.8. Charles H. Hoeflich, director and president.

Vail Associates, Inc. 7,200 common shares at \$8.12 private purchase on Nov. 4. 92,252. Harry W. Bass Jr., director.

Valley Camp Coal Co. 100 common shares at \$34 open market purchase on Oct. 24. 100. William J. Vesely, director.

Valley Gas Co. 400 common shares at \$8 open market purchases on Nov. 18. 500. Ernest N. Agresti, director.

Vermillion Bay Land Co. 3,000 common shares at \$12.50 open market purchase on Nov. 20. 102,177. William T. Moran, beneficial owner of more than ten per cent of the company's common stock.

Victoria Bankshares, Inc. 580 common shares at \$26 open market purchases between Nov. 6 and 24. 120,803. Tom O'Connor Jr., director, vice chairman of the board.

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# GM sees '76 as third best for Detroit

General Motors Corp. Chairman Thomas A. Murphy thinks 1976 could mark the industry's third highest vehicle sales year on record.

Murphy, in a review of trends in both the economy and the automotive industry in 1975 and prospects for 1976, said he anticipates the rate of sales of new cars and trucks will improve steadily throughout 1976. For 1976 as a whole, new car sales could well exceed 10.25 million units, or 1.5 million above the 1975 level, the GM chairman predicted. He added that new truck demand "in the area of 3 million units is also a reasonable expectation." He estimated total vehicle sales of about 13.25 million units, almost 20 per cent above 1975.

Murphy said that for calendar 1975, vehicle sales in the U. S. would total 11.1 million units — 8.6 million cars and 2.5 million trucks. He noted that a consideration which may cloud economic development in 1976 is the negotiations which will occur between the auto makers and the unions which represent its hourly employees.

"Unless our new contracts can achieve a realistic balance between productivity and compensation," he said, "the present recovery of the industry, its prospects for further growth, as well as our country's ability to compete in world markets, may all be impaired."

However, he added that he looked forward to "a reasonable and equitable outcome" for contract negotiations, making 1976 one of the best years in the history of the industry.

The GM chief executive said there was "every reason to expect further recovery" in the economy next year, with Gross National Product rising in the current quarter and showing further gains in 1976 "in the area of 5 to 6 per cent." He said he anticipated additional gains in employment, "although it is likely that it may be some time before unemployment is reduced to levels which can be considered satisfactory."

# Gold plus 1: the sizzle that fizzled

Americans are currently marking the first anniversary of the legal ownership of gold. But for those who a year ago bought gold bars or gold shares are concerned, it hardly ranks as a bang up affair.

For one thing the predicted American gold rush of 1975 never materialized. For another the price of gold has fallen. Even owners of shares of gold mining firms aren't celebrating. As things turned out their gold stocks have been some of the least attractive investments of 1975.

Late last December — just prior to the legalization of U. S. gold ownership — the price of gold reached a record high of \$197.50 an ounce. Recently, however, gold's price was fixed in London at \$138.70 an ounce. It had dropped below \$130 in September.

As for the gold companies, just look at the price of stocks of such diverse operations as Dome Mines, or Homestake or Asa Ltd., a closed end investment trust. They are all selling at or close to their year lows, having in some cases lost close to 50 per cent of their value this year.

## Still some gold bugs

Despite such a performance, there are still some Wall Street analysts who are recommending purchase of certain gold stocks. For C. Austin Barker of Hornblower Weeks Hemphill Noyes certain gold stocks continue to be attractive as hedges against inflation — the argument most frequently advanced in gold's favor last year.

On the other hand, William Tehan of P.R. Herzig and Co. favors investment in gold stocks as protection against what he expects to be a continuing, long term deflationary economic environment. Moreover, Tehan takes such a pessimistic view of what the future holds that he feels a portfolio currently should hold treasury bills and gold stocks but no other common stocks. Drexel Burnham's Andre Sharon, feels that currently the conflict between inflationary and deflationary forces is so hard to read that predicting economic trends is at the moment beyond his ken.

Says Sharon: "Where we're going nobody knows." But then, Sharon's basic thesis regard-



5 to 50 troy ounce gold bars from Engelhard Minerals and Chemicals Corp.

ing gold stocks has been that gold as an investment is a security blanket. So he favors some South Africa's gold stocks but he feels that South Africa's involvement in the war in Angola introduces a certain amount of political instability into these shares.

In terms of stock investment, there are chiefly three areas — South African, American and Canadian shares — and as far as many Wall Street analysts are concerned, they rank the respective shares

in just that order.

As some see it, Canadian shares should now be regarded merely as trading vehicles tied to gold price fluctuations. They say many Canadian mines are still plagued by the cost price squeeze which hit them sometime ago. Particularly favored are selected South African mining operations, mines with long life and low production costs. Those most frequently mentioned are President Steyn, East Driefontein and Western Deep Levels.

## Zurn, Abbott, Syntex booming; Gulf is mooning, MaBell is mad

Continued from page 1

season, but prices on cameras and projectors remain depressed.

Nothing depressed over at Syntex, though specific projections are hard to come by. You can take it from management that sales and earnings for the current fiscal (ending July) will beat last year's net of \$2.27 a share and revenues of \$259.5 million. Management will not say by how much, however. Too early. It is talking quite cheerfully about its new System 60 computerized tomographic X-ray scanner. Introduced just three weeks ago, it has already garnered three orders worth more than \$1 million.

Talking about record results, there wasn't a better story on the boards last week than the one coming out of Abbott Laboratories. President Edward J. Ledder let it be known that not only would the company top last year's net of \$2 a share by 25 per cent but that the future would see an annual growth trend of no less than 15 per cent. Abbott, Mr. Ledder discloses, is currently negotiating with the USSR for the construction of a plant and the transfer of technology covering infant nutritional products as well as research into selected new drug areas. He said the company has also received FDA approval on its "Aminosyn Five Per Cent," the first in a family of synthetic amino acids for total parenteral nutrition.

Though somewhat less effusive, Warner-Lambert also expects earnings to be up in 1975 — about 11 per cent higher than the \$1.98 a share (restated) reported in 1974. The latest figures will include a non-recurring charge of 10 cents a share for unrealized foreign currency translation losses.

Rounding out the good news, there was Harris Corp's estimate of about \$1 a share for the second quarter ending December 31 vs. 81 cents for the same period a year ago. In the first quarter Harris' net was up 16 per cent to 96 cents a share. An oily descent

Now for the bad news. Nobody's about to run a benefit for Gulf Oil, but there's no doubt either that 1975's net will fall well below the \$5.47 a share reported last by the world's fourth largest oil company. Recent nine month earnings of \$2.72 were already far down the scale from 1974's \$4.53 for the comparable period. Earnings aren't the only things that are down at Gulf. President

E.B. Walker notes that domestic crude production was off 10 per cent this year to 365,000 barrels a day, but he promises that by 1980 it will be 10 per cent higher than present levels. Gulf's crude production outside the U.S. through October totaled an average of 1.66 million barrels a day including 1 million barrels from Kuwait, 200,000 from South America and 80,000 from Canada.

Monsanto didn't have all that much to cry about last week, but still, a down year is a down year even if you're descending only a step or two from the lofty heights. As it turns out, the chemicals, plastics and fibers company will be checking in with \$8.10 to \$8.30 a share this year compared to last year's record \$9.25. It will still be their second best fiscal period, despite the recent recession. Most affected by it all were the plastics and textile segments.

Disappointment is also being tempered at U.S. Steel, where the word is out that the fourth quarter will fall below third quarter net of \$2.43 a share. In the first nine months big "X" earned \$8.17 compared with \$8.56 the year before. For all of 1974 earnings were \$11.72 a share. The fourth quarter downturn is specifically attributed to the fact that a number of customers made early purchases to avoid a 3.8 per cent steel price hike that became effective October 1.

Finally, there is the AT&T story. Ma Bell is operating at about the same level as last year, according to Chairman John Debutts, which means at the rate of about \$4.40 a share net. Now that isn't bad in view of Debutts' characterization of '75 as "a most difficult year" for Ma Bell's Western Electric manufacturing unit. Of course, the recession served to drag WE's production levels down — along with its profits — but '76 is a "recovery" year — isn't it? — and Mr. Debutts says WE is well positioned to take advantage of it.

What has left the chief exec "profoundly disappointed" is a recent FCC order which opens the way to direct electrical connection to the telephone network of customer-provided terminal equipment certified by the FCC. "Should the Commission take the further step it contemplates and open the way for the direct electrical connection of terminal gear of every variety," Debutts warned, "it will have undertaken to make a technical judgement whose consequences are at best unknown."

# Insider Trading

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the board and owner of more than ten per cent of stock.

**Virco Manufacturing Corp.** 840 common shares at \$2.75 open market purchase on Oct. 3. 5,000. P. Harold Valentine, vice president, secretary and treasurer.

**Virginia International Co.** 400 common shares at \$12 open market purchase on Nov. 17. 3,500. Robert P. Buford, director.

**Warnaco, Inc.** 200 common shares at \$10 open market purchase on Nov. 5. 400. William M. Fine, director.

**WD-40 Co.** 1,000 common shares at \$15.25 open market purchase on Nov. 13. 5,600. John S. Barry, president.

**Weinschel Engineering Co., Inc.** 1,800 common shares at \$1.50 private purchase on Sept. 15. 12,800. George Weinschel, director.

**Weis Markets, Inc.** 250 common shares at \$18.25-\$18.375 open market purchases on Oct. 8. 250. Charles H. Watts, director.

**Wells Management Corp.** 2,000 common shares at \$0.50 open market purchase on

Oct. 16. 28,000. Arthur J. Barnett, senior vice president, treasurer and director.

**Whitaker Cable Corp.** 400 common shares at \$4.75 open market purchase on Nov. 20. 900. Robert E. Cummer, senior vice president.

**Whitaker Cable Corp.** 400 common shares at \$5 open market purchases on Oct. 8, 15, and 20. 1,300. C. Howard Clark, vice president.

**Wieboldt Stores, Inc.** 400 common shares at \$3.50 open market purchase on Oct. 29. 7,991. Arthur K. Muenze, president and director.

**Wieboldt Stores, Inc.** 1,600 common shares at \$3.75 open market purchases between Nov. 1 and 6. 9,662. Arthur K. Muenze, president and director.

**Willcox & Gibbs, Inc.** 850 common shares at \$1.75-\$1.875 open market purchases on Oct. 22. 4,000. Bernard B. Zients, director.

**Wright Machinery Co., Inc.** 600 common shares at \$5 open market purchase on Oct. 31. 600. Renard R. Mitchell Jr., assistant secretary.

# Dow Chemical sees shortages

Dow Chemical Co. expects shortages in basis commodity chemicals in late 1976 and 1977, Financial Vice President G. James Williams has told analysts in Philadelphia.

"I think shortages will reappear in selected areas in the second half of 1976, and I think some of the shortages will become really severe in 1977," Williams said. He added that he based the projection on improved business conditions next year and undercapacity among producers of basis chemicals.

Williams said some candidates for short

supply would be ethylene glycol, vinyl chloride monomer, ethylene oxide and chlorine products, because they are experiencing strong sales this year.

## Keep up with dividends -- in the Chronicle

# Securities now in Registration

(N) indicates additions in since previous issue (R) items revised (I) initial public offering

## Companies in Registration

### AMERICAN EXPRESS CREDIT CORP.

Wilmington, DE, Nov. 20, 1975 filed \$50,000,000 of senior notes due Dec. 15, 1985. The wholly-owned subsidiary of American Express Co., which has been engaged since 1966 in purchasing receivables arising from the use of the American Express Card, will use the proceeds to reduce short term debts and for short-term investments. Salomon Brothers, and Blyth Eastman Dillon & Co. Inc., NY, will manage the underwriting. Offering imminent. V. 219 7447, p. 63.

### ASSOCIATES CORP. OF NORTH AMERICA

1 Gulf Western Plaza, NY, Nov. 7, 1975 filed \$50,000,000 of senior notes due Dec. 1, 1982; and \$50,000,000 of senior notes due Dec. 1, 1985. The unit of GW, which is engaged in consumer finance, industrial equipment finance and commercial loans and casualty and life insurance, will use the proceeds to reduce short-term debts. Kidder, Peabody & Co. Inc., NY, will manage the underwriting. Offering expected in Jan.

### AVCO FINANCIAL SERVICES, INC.

620 Newport Center Dr., Newport Beach, CA, Nov. 21, 1975 filed \$50,000,000 of senior notes due Dec. 15, 1983. The company, and its subsidiaries which are principally engaged in consumer finance, retail installment sales and related life and casualty insurance businesses, will use the proceeds to increase general funds and to reduce short-term borrowings. Kidder, Peabody & Co. Inc., and Salomon Brothers, NY, will manage the underwriting. Offering imminent. V. 220 7457, p. 64.

### BRAZIL (REPUBLIC OF)

Brazilian Ambassador, 3006 Massachusetts Ave., N.W. Washington, D.C., Oct. 29, 1975 filed \$50,000,000 of external bonds due 1990. This South American country, the fifth largest in the world, which is a substantial exporter of coffee, sugar, soybean products, cocoa, and cotton, will use the proceeds to finance various internal development projects and to increase its foreign reserves, initially, Merrill Lynch, Pierce, Fenner & Smith Inc., NY; and Banco do Brasil, S.A., London, will manage the underwriting. Offering p.p.d.

### CAN-AM GOLD MINING CO.

629 Lincoln Bldg., Spokane, WA, Jan. 10, 1975 filed 1,125,000 shares of common. The company is engaged in old mining claims in Idaho. P.L. Sandberg & Co. Inc., Spokane, WA, will manage the underwriting.

### CARTER HAWLEY HALE STORES INC.

Los Angeles, CA, Nov. 20, 1975 filed \$60,000,000 of debentures due 2000. The company, which is engaged in retail business through general and specialty stores, will use the proceeds to retire notes and to increase working capital. Morgan Stanley & Co. Inc., NY, will manage the underwriting. Offering imminent. V. 220 7474, p. 25.

### CENTENNIAL CORP.

580 Foremost Dr., S.E. Grand Rapids, MI, Sept. 8, 1975 filed \$12,500,000 of convertible subordinated debentures due 1985; and underlying common stock, to be offered in exchange for the company's outstanding 4 per cent convertible subordinated debentures due 1982, at the rate of \$500 of new debentures for each \$1,000 of outstanding old debentures. The company is engaged in furnishing through its subsidiaries, insurance and financial services to the mobile homes and recreational vehicle markets. Smith, Barney & Co. Inc., and Salomon Brothers, NY, will manage the underwriting.

### CHEMINEER INC.

1801 East First St., Dayton, OH, Nov. 18, 1975 filed 33,000 shares of common, of which 165,000 shares will be offered for the account of stockholders. The engineering concern is engaged in the manufacture of chemical process equipment with major products lines consisting of agitation and mixing equipment. E.F. Hutton & Co. Inc., NY, is the distributor. Offering expected mid-Jan.

### COINS OF GOLD INVESTORS, INC.

Suite 2W5, 300 Marcus Ave., Lake Success, NY, Jan. 15, 1975 filed 625,000 shares of common; to be offered at \$8 per share, in 5,000 units of 125 shares per unit. The company purchases US and foreign numismatic coins and non-numismatic gold coins and metallic bars. Muller & Co., NY, will manage the underwriting.

### CURTICE-BURNS, INC.

One Lincoln First Sq., Rochester, NY, Nov. 6, 1975 filed 413,294 shares of class A common, of which 350,000 shares will be offered by the company and 63,294 shares by certain shareholders. The concern manufactures and markets a variety of food products. Donaldson, Lufkin & Jenrette Securities Corp., NY, will manage the underwriting. Offering imminent. V. 220 7476, p. 26.

### CYPRESS POINT ASSOCIATES

Oct. 6, 1975 filed 3,000 units of limited partnership interests, to be offered at \$1,000 per unit, with a minimum investment of \$5,000. Associated Equity Investment Sales, Ltd., Milwaukee, WI, will manage the underwriting. Offering expected in Jan.

### DAIRY CAPITAL CORP.

212 W. Fourth South, Salt Lake City, UT, Sept. 29, 1975 filed \$5,000,000 of limited partnership interest, to be offered at \$5,000 per unit. The concern will serve as general partner of limited partnership to be formed to engage in the commercial dairy cattle business. Centennial Securities Inc., Salt Lake City, UT, will manage the underwriting. Offering imminent. V. 218, p. 805.

### DAYCO CORP.

333 W. First St., Dayton, OH, March 21, 1975 filed \$13,150,000 principal amount of 4.65 per cent convertible subordinated debentures due Aug. 1, 1982, for the account of certain security holders. The plastics, and chemical technology. Lehman Brothers Inc., NY, will manage the underwriting.

### DIBRELL BROTHERS, INC.

512 Bridge St., Danville, VA, Nov. 21, 1975 filed 60,000 shares of common, to be offered from time to time, by selling shareholders. The company is principally engaged in the business of buying, redrying and packing, and selling leaf tobacco in the world markets. Wheat, First Securities Inc., Richmond, VA, will manage the underwriting. Offering expected Dec. 22.

### ELTRA CORP.

Two Pennsylvania Plaza, NY, Nov. 17, 1975 filed

\$50,000,000 of sinking fund debentures due Dec. 15, 2000. The company is engaged in both domestic and international operations of electrical and industrial products and services. White, Weld & Co. Inc., and Goldman, Sachs & Co., NY, will manage the underwriting. Offering p.p.d.

### EUROPEAN COAL STEEL COMMUNITY

2100 M. St., N.W. Washington, D.C., Nov. 17, 1975 filed \$100,000,000 of notes due Dec. 15, 1980. The community, established since 1951, which was the world's largest steel producer in 1974, will use the proceeds to improve coal and steel production and for 'reemployment' of labor within its community. Kuhn, Loeb & Co.; First Boston Corp.; Lazard Freres & Co.; and Warburg Paribas Becker Inc., NY, will manage the underwriting. Offering imminent. V. 220 7455, p. 68.

### GREAT NORTHERN NEKOOSA CORP.

75 Prospect St., Stamford, CT, Dec. 4, 1975 filed 250,000 shares of common stock, to be offered on behalf of the estate of Joan W. Payson. The concern, a leading paper manufacturer in the U.S., principal products are business papers, containerboard, groundwood printing papers and newsprint. Kidder, Peabody & Co. Inc., NY, will manage the underwriting. Offering imminent. V. 220 7480, p. 23.

### GULF ENERGY & DEVELOPMENT CORP.

8626 Tesoro Dr., Seventh Fl., Petroleum Bldg., San Antonio, TX, Nov. 6, 1975 filed \$2,500,000 of convertible subordinated debentures due Dec. 31, 1985. The company operates natural gas gathering and processing facilities and treating plants. Lentz, Newton & Co., San Antonio, TX, will manage the underwriting. Offering expected in March. V. 220 7489, p. 26.

### HOUSEHOLD FINANCE CORP.

Chicago, IL, Nov. 17, 1975 filed \$75,000,000 of series 2F debentures due Jan. 1, 1986; and \$75,000,000 of series 3F debentures due July 1, 2000. The company, the largest consumer finance concern, which is also engaged in the automobile and truck rental leasing business through National Car Rental System Inc., will use the proceeds to reduce short-term bank loans and commercial paper. Goldman, Sachs & Co., NY; and Dean Witter & Co. Inc., San Francisco, CA, will manage the underwriting. Offering expected in Jan. V. 219 7437, p. 63.

### INDEPENDENT SILVER PRODUCERS, INC.

2920 North Seventh St., Phoenix, AZ, July 28, 1975 filed 6,000,000 shares of common. The company is engaged in the production of silver and related activities. S.B. Cantor & Co. Inc., NY, will manage the underwriting. Offering expected in Jan. (I)

### INTERNATIONAL DAIRY QUEEN INC.

5701 Green Valley Drive, Minneapolis, MN, Nov. 28, 1975 filed \$3,000,000 of subordinated capital notes due May 31, 1975. The company, which develops, licenses, and services a system of retail stores which offer a limited menu of food items, will use the proceeds to finance expansion. Offerman & Co. Inc., Minneapolis, MN, will manage the underwriting. Offering expected in Jan. V. 219 7412, p. 23.

### INTERNATIONAL PAPER CO.

320 East 42nd St., NY, Nov. 26, 1975 filed \$150,000,000 of sinking fund debentures due 2000. The company, which is a diversified manufacturer and marketer of pulp, paper, paperboard, converted paper products, and wood products, will use the proceeds, primarily, to repay long-term debts. First Boston Corp., NY, will manage the underwriting. Offering imminent.

### INTERNATIONAL ROYALTY & OIL CO.

1304 Ave. L, Cisco, TX, June 27, 1975 filed 250,000 shares of common. Larmer-Sykes Co. Inc., Wichita, KS, will manage the underwriting.

## Important Notice

The tabulations excluded issues filed prior to Jan. 1, 1975 for which specific offering dates have not been announced. These issues will be reinstated when information regarding the dates when the offerings are to be made is available.

### JOS SCHLITZ BREWING CO.

235 West Galena St., Milwaukee, WI, May 22, 1975 filed an amendment for \$75,000,000 of notes due May 15, 1985. The manufacturer of beer, malt liquor, animal feeds, table wines and other products, will use the proceeds to finance part of its capital expenditure requirements. Goldman, Sachs & Co., NY, will manage the underwriting. V. 219 7450, p. 58. (R)

### KYOTO CERAMIC CO. LTD.

52-11 Inoue-Cho, Higashino, Yamashina, Higashiyama-Ku, Kyoto 607, Japan, Dec. 3, 1975 filed 2,000,000 shares of common stock. This U.S. offering will be evidenced by American Depository Receipts, physically deposited in Japan, of which each ADR will represent two shares of common stock. The concern, which manufactures semi-conductors and other ceramic products, will use the greater part of the proceeds to reduce debts owed to its U.S. subsidiary, Merrill Lynch, Pierce, Fenner & Smith Inc.; and Daiwa Securities America Inc., NY, will manage the underwriting. Offering expected about Jan. 29.

### MUNICIPALITY OF METROPOLITAN TORONTO

Toronto, Ontario, Canada, Dec. 9, 1975 filed \$60,000,000 of debentures due Jan. 15, 1996; and \$20,000,000 of debentures due Jan. 15, 1986. Principal and interest will be payable in US currency in New York City. The concern, which consists of six municipalities, with 10 per cent of the population of the Province of Ontario in 244 square miles, will use the proceeds for capital improvements in water supply, water pollution and related facilities. Salomon Brothers; Wood Gundy Inc.; and Dominion Securities Harris & Partners Inc., NY, will manage the underwriting. Offering expected Jan. 14. (N)

### NEUROSCAN, INC.

Newport Beach, CA, July 29, 1975 filed 400,000 shares of common and warrants, to be offered in units of one common and one warrant. The company is engaged in radiology. Bond Richman & Co. Inc., NY, will manage the underwriting. Offering expected in early Jan. (I)

### PATHCOM INC.

24049 South Frampton Ave., Harbor City, CA, Nov. 26, 1975 filed 600,000 shares of common stock, of which 450,000 shares will be offered by the company and the

remaining shares by two selling shareholders. The concern is engaged in the design, manufacture, importation and a sale of two-radio communications equipment, consisting primarily of Citizens Band radios. Robertson, Colman, Siebel & Weisel, San Francisco, CA, will manage the underwriting. Offering expected in Jan.

### SBE INC.

Watsonville, CA, Nov. 19, 1975 filed 500,000 shares of common, of which 300,000 shares will be offered by certain selling shareholders and the remaining shares by the company. The concern, which deals with radio equipment will use the proceeds, its portion, to repay short-term bank debts. Bateman Eichler, Hill Richards Inc., Los Angeles, CA, will manage the underwriting. Offering imminent.

### SOUTHLAND FINANCIAL CORP.

1880 Southland Centre, Dallas, TX, Oct. 28, 1975 filed \$35,000,000 of notes due 1985. The concern is a holding company for subsidiaries variously engaged in life insurance business, real estate operations, and related activities. Wertheim & Co. Inc., NY; and First Southwest Co., Dallas, TX, will manage the underwriting.

### TEXTRON INC.

40 Westminister St., Providence, RI, Dec. 10, 1975 filed an amendment for \$75,000,000 of notes due 1980. The diversified manufacturer of aerospace, industrial, consumer and metal products, to will use the proceeds for debt repayment. Lehman Brothers Inc., NY, will manage the underwriting. Offering imminent. V. 217, p. 1765. (R)

### THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

222 Queen St., Ottawa, Ontario, KIP 5Z3, Nov. 18, 1975 filed \$30,000,000 of sinking fund debentures due Jan. 1, 1996; and \$20,000,000 of serial debentures due Jan. 1, 1977-84. The municipal corporation, established 1968, which has exclusive authority to issue long term debts to finance projects of the area municipalities, will use the proceeds for the capital works projects for such municipalities. Merrill Lynch, Pierce, Fenner & Smith Inc.; Wood Gundy Inc.; and Equitable Canada Inc., NY, will manage the underwriting. Offering imminent.

### UNION TANK CAR CO.

90 Half Day Rd., Lincolnshire, IL, Nov. 14, 1975 filed \$40,000,000 of equipment trust certificates; \$32,800,000 of sinking fund certificates due Dec. 15, 1995; and \$7,200,000 of serial certificates due serially Dec. 1979-81. The subsidiary of Trans Union Corp., will use the proceeds to retire outstanding debts and to repay costs incurred in building railway cars. Salomon Brothers, NY, will manage the underwriting. Offering imminent. V. 220 7471, p. 26.

### WORLD FUTURES, INC.

277 Park Ave., NY, Jan. 3, 1975 filed 200,000 shares of common, to be offered at \$5 per share. The company, which is trading in commodity futures, will use the proceeds to margin deposits and operating expenses. J.J. Krieger & Co. Inc., NY, will manage the underwriting.

### XONICS INC.

6849 Hayvenhurst Ave., Van Nuys, CA, July 7, 1975 filed 262,805 shares of common, to be issued in connection with an exchange for the stock of Baird-Atomic Inc. The company is a science-based concern. New York Securities Co. Inc., NY, is the dealer-manager. Offering expected in Jan. V. 220 7459, p. 65.

### ZONDERVAN CORP.

1415 Lake Dr., S.E. Grand Rapids, MI, Nov. 10, 1975 filed \$500,000 sinking fund debentures due 1980; and \$2,000,000 of secured sinking fund notes due 1990, to be offered in units of \$1,000. The company operates religious bookstores. Ohio Co., Columbus, OH, will manage the underwriting. Offering imminent. V. 218, p. 998.

## Oil-Gas Real Estate

### AMERICAN PROPERTY INVESTORS VI

1776 South Jackson St., Denver, CO, Nov. 10, 1975 filed \$20,000,000 of units of limited partnership interest, to be offered at \$500 per unit, with a minimum investment of 5 units. The partnership was formed to invest principally in improved commercial real estate which is triple net leased to others. Kelly & Morey Inc., Denver, CO, will manage the underwriting. Offering expected in Jan. V. 220 7486, p. 24.

### APACHE OIL & GAS PROGRAM — 1976

Foshay Tower, Minneapolis, MN, Nov. 7, 1975 filed \$25,000,000 of partnership interests, in a series of three partnerships, to be offered at \$15,000 per unit. The partnership will be formed to explore for oil and gas reserves. Apache Programs Inc., Minneapolis, MN, will manage the underwriting, on a best-efforts basis. Offering expected in Dec. V. 220 7479, p. 33.

### CENTRAL ILLINOIS LIGHT CO.

300 Liberty St., Peoria, IL, Dec. 10, 1975 filed 1,000,000 shares of common. The utility concern will use the proceeds for debt repayment. Dean Witter & Co. Inc., San Francisco, CA; and Blyth Eastman Dillon & Co. Inc., NY, will manage the underwriting. Offering expected Jan. 14. V. 220 7480, p. 65. (N)

### CONVEST ENERGY 1976 OIL & GAS PROGRAM

4605 Post Oak Place, Dr., Suite 200, Houston, TX, Dec. 3, 1975 filed \$10,000,000 of limited partnership interest, to be offered at \$1,000 per unit. The partnership will engage in exploration for oil and gas. Convest Securities Distributors, Inc., Boston, MA, will manage the underwriting. Offering expected in Jan. V. 219 7437, p. 63. (N)

### COTTON PETROLEUM CORP.

Suite 600, Parkland Plaza, 2121 South Columbia, Tulsa, OK, Nov. 7, 1975 filed \$12,000,000 of limited partnership interests, in the 1976 Oil & Gas Program. The partnership will be organized to explore for oil and gas in the U.S. The company, a domestic oil and gas exploration concern, is engaged in oil and gas drilling and production activities. White, Weld & Co. Inc., NY, will manage the underwriting. Offering expected in Jan. V. 219 7451, p. 55.

### DYCO 1976 OIL & GAS PROGRAMS

201 Northwestern Bank Bldg., Hopkins, MN, Oct. 2, 1975 filed 1,600 units of participation, to be offered at \$5,000 per unit, with a minimum subscription of 1 unit. The drilling programs will acquire leases and explore for

develop and produce oil and gas. Dain, Kalman & Quail Inc., Minneapolis, MN, will manage the underwriting, on a best-efforts basis. Offering expected in Dec. V. 219 7434, p. 66.

### EQUITABLE MIDWEST — 1975

50 Rockefeller Plaza, NY, June 27, 1975 filed 2,000 partnership interests, to be offered at \$1,000 per unit, with a minimum investment of \$5,000. The partnership will drill and explore for oil and gas. Gradison & Co. Inc., Cincinnati, OH; and J.J.B. Hilliard, W.L. Lyons Inc., Louisville, KY, will manage the underwriting. Offering in Dec. V. 218, p. 1289.

### GOLDEN TRIANGLE ROYALTY & OIL, INC.

2511 Highland Ave., New Castle, PA, Oct. 15, 1975 filed 7,500,000 shares of common stock. The concern will be engaged in the acquisition of oil producing royalties. Mountain Pacific Investment Co., Littleton, CO, will manage the underwriting. Offering expected in Dec. (I)

### HEALTH CARE FUND

1101 Delphos Ave., Lima, OH, Sept. 16, 1975 filed 250,000 units of beneficial interest. The concern is a real estate investment trust. Raymond, James Associates Inc., St. Petersburg, FL; and Bell & Beckwith Toledo, OH, will manage the underwriting. Offering expected in Dec. (I)

### KEDCO MANAGEMENT CORP.

816 Union Center Bldg., Wichita, KS, July 28, 1975 filed \$5,000,000 of pre-organized subscriptions in limited partnership interests in oil and gas programs, to be offered at \$5,000 per interest. The partnership will engage in oil and gas exploration and development. Raymond, James & Associates Inc., St. Petersburg, FL, will manage the underwriting, offering expected in late-1975. V. 220 7463, p. 66.

### KENAI DRILLING LTD.

551 Fifth Ave., NY, Nov. 13, 1975 filed 220,000 shares of common stock. The company is an oil and gas concern. Faherty & Swartwood Inc., NY, will manage the underwriting. Offering expected in Jan. V. 218, p. 878.

### PATRICK OIL & GAS 1976 INCOME PROGRAMS

744 West Michigan Ave., Jackson, MI, Sept. 25, 1975 filed 30,000 units of limited partnership interests, in 1976 income programs, to be offered at \$500 per unit, with a minimum purchase of 10 units. The partnership will operate oil and gas properties. Patrick Programs Inc., Bloomfield, MI, will manage the underwriting. Offering expected in Jan. V. 219 7440, p. 63.

### PATRICK OIL & GAS CORP.

— 1976 COMBINATION PROGRAM  
744 West Michigan Ave., Jackson, MI, Oct. 31, 1975 filed \$12,000,000 of limited partnership interests, to be offered at \$5,000 per unit, with a minimum subscription of \$5,000. The program is formed to engage in exploratory and development drilling and to purchase and operate producing properties. Patrick Programs Inc., Bloomfield Hills, MI, will manage the underwriting. Offering expected in late 1975. V. 220 7465, p. 68.

### PATRICK OIL & GAS PROGRAM

— 1976 DRILLING PROGRAM  
744 West Michigan Ave., Jackson, MI, Oct. 14, 1975 filed \$25,000,000 of limited partnership interests, to be offered at \$5,000 per unit, with a minimum subscription of \$5,000. The program is formed to engage in exploratory and development drilling. Patrick Programs Inc., Bloomfield Hills, MI, will manage the underwriting. Offering expected in late-1975. V. 220 7492, p. 24.

### PETROLIA 1975-76 DRILLING PROGRAM

118 South Washington St., Enid, OK, June 9, 1975 filed 1,000 units of participation, to be offered at \$5,000 per unit. The partnership will be formed to invest as a limited partner in up to two drilling partnerships, to acquire leases and to explore, develop and produce oil and gas. C.W. Clayton & Co., Boston, MA, will manage the underwriting, on a best-efforts basis.

### SHENANDOAH OIL CORP.

1500 Commerce Bldg., Ft. Worth, TX, Aug. 14, 1975 filed \$20,000,000 of convertible subordinated debentures due 1995. The company, which explores, develops, acquires and operates oil and gas properties in the US and foreign countries, will use the proceeds to increase working capital, to reduce debts, and to finance exploration. White, Weld & Co. Inc., NY; and Dean Witter & Co. Inc., San Francisco, CA, will manage the underwriting. V. 219 7375, p. 18.

### TESORO PETROLEUM CORP.

8700 Tesoro Dr., San Antonio, TX, Nov. 10, 1975 filed 4,000,000 shares of convertible preferred stock, to be offered for about \$25 per share. The oil and gas concern will use the proceeds to reduce bank debts, and to add to working capital. E.F. Hutton & Co. Inc., NY, will manage the underwriting. Offering expected in about Dec. 16. V. 219 7380, p. 19.

## Utilities

### ALABAMA POWER CO.

600 North 18th St., Birmingham, AL, Nov. 14, 1975 filed \$100,000,000 of first mortgage bonds, to be offered at competitive bidding. The unit of Southern Co., will use the proceeds to finance construction costs. Bids imminent. V. 220 7485, p. 21.

### ALABAMA POWER CO.

600 North 18th St., Birmingham, AL, Nov. 14, 1975 filed 500,000 shares of \$100 par value cumulative preferred stock, to be offered at competitive bidding. The Southern Co. unit will use the proceeds to finance construction costs. Bids imminent. V. 220 7485, p. 21.

### ALLEGHENY POWER SYSTEM INC.

320 Park Ave., NY, Nov. 10, 1975 filed 3,500,000 shares of common, to be offered at competitive bidding. The utility holding concern will use the proceeds to repay bank debts and for other corporate purposes. Bids at 4:30 p.m., on Feb. 19. V. 219 7376, p. 21.

### BALDOR ELECTRIC CO.

2801 S. Zero St., Ft. Smith, AR, July 15, 1975 filed 329,976 shares of common of which 70,024 shares will be offered for the account of stockholders. A.G. Edwards & Sons Inc., St. Louis, MO, will manage the underwriting. V. 220 7476, p. 26.

### CENTRAL TELEPHONE CO.

1201 N. St., Lincoln, NE, Nov. 11, 1975 filed \$20,000,000 of

first mortgage & collateral lien bonds due 2000. The unit of Central Telephone & Utilities Corp., will use the proceeds to finance construction programs. Dean Witter & Co. Inc., San Francisco, CA; and Paine, Webber, Jackson & Curtis Inc., NY, will manage the underwriting. Offering imminent. V. 219 7447, p. 63.

**CINCINNATI GAS & ELECTRIC CO.**  
139 East Fourth St., Cincinnati, OH, Dec. 5, 1975 filed 450,000 shares of \$100 par value preferred stock. The utility concern will use the proceeds for debt repayment. Morgan Stanley & Co. Inc., NY, will manage the underwriting. Offering expected Jan. 7. V. 220 7464, p. 68.

**CONNECTICUT WATER SERVICE, INC.**  
West Main St., Clinton, CT, Aug. 8, 1975 filed 100,000 shares of common stock. The company, through its subsidiaries, supplies water. Advest Co., Hartford, CT, will manage the underwriting. Offering imminent. V. 218, p. 217.

**CONSOLIDATED EDISON CO.**  
4 Irving Place, NY, July 11, 1975 filed \$80,000,000 of series PP first & refunding mortgage bonds. The utility concern will use the proceeds to reduce short-term borrowings. Merrill Lynch, Pierce, Fenner & Smith Inc.; and Kidder, Peabody & Co. Inc., NY, will manage the underwriting. V. 220 7477, p. 26.

**ELECTRICITE DE FRANCE**  
2-Rue Louis Murat, Paris, France, 75008, Nov. 20, 1975 filed \$75,000,000 of notes due Jan. 15, 1983. Payments of principal and interests are guaranteed by the Govt. of France. The State owned and operated utility concern will use the proceeds to finance construction projects. Lazard Freres & Co.; Goldman, Sachs & Co.; and Merrill Lynch, Pierce, Fenner & Smith Inc., NY, will manage the underwriting. Offering expected Jan. 13.

**HACKENSACK WATER CO.**  
4100 Park Ave., Weehawken, NJ, Nov. 20, 1975 filed \$200,000,000 of first mortgage bonds due 2006. The utility concern will use the proceeds for debt repayment. First Boston Corp.; and White, Weld & Co. Inc., NY, will manage the underwriting. Offering expected Jan. 21.

**INDIANAPOLIS POWER & LIGHT CO.**  
25 Monument Circle, P.O. Box 1595 B, Indianapolis, IN, Dec. 10, 1975 filed 2,000,000 shares of common stock. The utility concern will use the proceeds to retire short-term debts and to pay for future construction. Lehman Brothers Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; and Salomon Brothers, NY, will manage the underwriting. Offering expected Jan. 8. V. 220 7470, p. 26. (N)

**KANSAS-NEBRASKA NATURAL GAS CO. INC.**  
Hastings NE, Dec. 10, 1975 filed \$20,000,000 of sinking fund debentures due Jan. 1, 1996. The utility concern will use the proceeds for debts repayment. Merrill Lynch, Pierce, Fenner & Smith Inc., NY, will manage the underwriting. Offering expected Jan. 13. V. 219 7450, p. 58. (N)

**MIDDLE SOUTH UTILITIES, INC.**  
280 Park Ave., NY, Dec. 10, 1975 filed 7,500,000 shares of common stock, to be offered at competitive bidding. Proceeds will be used to help reduce bank borrowings. Bids expected Jan. 13. V. 219 7449, p. 63.

**MIDDLESEX WATER CO.**  
One Woodbridge Center, Woodbridge, NJ, Nov. 20, 1975 filed 100,000 shares of common stock. The public utility concern supplies water for domestic and public use. Kidder, Peabody & Co. Inc., NY, will manage the underwriting. Offering expected Jan. 20.

**MISSOURI PUBLIC SERVICE CO.**  
10700 E. 50 Highway, Kansas City, MO, Nov. 7, 1975 filed 300,000 shares of common stock. The company is a public utility concern. Merrill Lynch, Pierce, Fenner & Smith Inc., NY, will manage the underwriting. V. 220 7484, p. 24.

**NEW JERSEY BELL TELEPHONE CO.**  
540 Broad St., Newark, NJ, July 11, 1975 filed \$75,000,000 of debentures due Aug. 1, 2015, to be offered at competitive bidding. Proceeds will be used for debt repayment. V. 218, p. 573.

**NORTHWEST ENERGY CO.**  
315 East 200 South, Salt Lake City, UT, Nov. 14, 1975 filed 750,000 shares of common stock. The holding concern, whose principal subsidiary Northwest Pipeline Corp., owns and operates natural gas transmission system, will use the proceeds to repay debts and for other corporate purposes. Loeb, Rhoades & Co., NY, will manage the underwriting. Offering imminent. V. 219 7450, p. 58.

**OKLAHOMA GAS & ELECTRIC CO.**  
321 North Harvey Ave., Oklahoma City, OK, Nov. 26, 1975 filed \$55,000,000 of first mortgage bonds due 2006, to be offered at competitive bidding. The utility concern furnishes retail electric service and electric energy. Bids expected at 11 a.m., on Jan. 13. V. 220 7462, p. 65. (N)

**PUBLIC SERVICE ELECTRIC & GAS CO.**  
90 Park Place, Newark, NJ, Nov. 21, 1975 filed 1,600,000 shares of \$25 par value cumulative preferred stock. The utility concern will use the proceeds to repay debts incurred to finance construction and for general corporate purposes. Merrill Lynch, Pierce, Fenner & Smith Inc.; and Kidder, Peabody & Co. Inc., NY, will manage the underwriting. Offering imminent. V. 220 7472, p. 28. (1)

**SOUTHEASTERN MICHIGAN GAS CO.**  
405 Water St., Port Huron, MI, Nov. 21, 1975 filed 88,236 shares of common stock, to be offered for the account of stockholders. The utility concern furnishes natural gas in Southeastern Michigan. First of Michigan Corp., Detroit, MI, will manage the underwriting. Offering imminent.

**SOUTHERN NATURAL GAS CO.**  
1900 Fifth Ave., North, First National-Southern Natural Bldg., Birmingham, AL, July 14, 1975 filed \$60,000,000 of sinking fund debentures due Aug. 1, 1985. This unit of Southern Natural Gas Resources Inc., will use the proceeds to repay short-term debts. Blyth Eastman Dillon & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; and Lehman Brothers Inc., NY, will manage the underwriting.

**WISCONSIN ELECTRIC POWER CO.**  
231 West Michigan St., Milwaukee, WI, July 17, 1975 filed \$60,000,000 of first mortgage bonds, to be offered at competitive bidding. Proceeds will be used for construction and other purposes. V. 219 7429, p. 77.

## Reg. "A's"

**BOLYARD OIL & GAS LTD.**  
Suite 20C - Brooks Towers, 1020 - 15th St., Denver, CO, Oct. 20, 1975 filed a Reg. A covering 5,000,000 shares of common, to be offered at \$0.10 per share. Pfitman & Co. Inc., Denver, CO, will manage the underwriting. Offering expected in Dec.

**COMMUNITY STORES INC.**  
11232-120th N.E. Kirkland, WA, Nov. 10, 1975 filed a Reg. A covering 247,000 shares of class A common stock, to be offered at \$2 per share, only to bona fide residents of the State of Washington. The concern was formerly VIP

Associates Inc. Paul E. Kirker, Seattle, WA will manage the underwriting, on a best-efforts basis. Offering expected in Jan.

**FORUM OIL & GAS CO.**  
Dallas, TX, March 4, 1975 filed a Reg. A covering 5,000,000 shares of common, to be offered at \$0.10 per share. The company is engaged in the acquisition and exploration of oil and gas. Hyder & Co., Albuquerque, NM, will manage the underwriting. Offering expected in Dec.

**KO KO TU OIL CO.**  
400 N. Akard St., Dallas TX, Sept. 24, 1975 filed a Reg. A covering 5,000,000 shares of common, to be offered at \$0.10 per share. The company is engaged in the exploration and production for oil and gas. First New Mexico Securities Corp., Albuquerque, NM, will manage the underwriting. Offering expected in Dec.

**NATIONAL FOODLINE CORP.**  
4510 West 77 St., Edina, MN, June 23, 1975 filed a Reg. A covering 9,832 shares of common, to be offered for the account of stockholders. Reuben-Alstead & Associates Inc., and Parker-Marquart Securities Inc., Minneapolis, MN, will manage the underwriting. V. 219 218, p. 647.

**SOLAR ENERGY RESEARCH CORP.**  
Suite 1 412 Granite Bldg., 1228 - 15th St., Denver, CO, Oct. 17, 1975 filed a Reg. A covering 5,000,000 shares of common, to be offered at \$0.10 per share. The concern designs and sells heating systems. First Western Securities of Wyoming Inc., Casper, WY, will manage the underwriting, on a best efforts-basis. Offering expected in Jan.

**TANNEY HILL, INC.**  
Ashtabula, OH, March 18, 1975 filed a Reg. A covering 100,000 shares of common, to be offered at \$5 per share. The company markets and develops furniture franchises. Jan. D. Aronson, Chicago, IL, will manage the underwriting.

**UNIVERSAL URANIUM CO.**  
1014 Denver Club Bldg., Denver, CO, Oct. 2, 1975 filed a Reg. A covering 2,000,000 shares of capital stock, to be offered at \$0.25 per share. The concern is engaged in mining. Alta Investment Co., Denver, CO, will manage the underwriting. Offering expected in Dec.

**VERIPRINT SYSTEMS CORP.**  
20747 Dearborn St., Chatsworth, CA, Sept. 26 1975 filed a Reg. A covering 250,000 shares of common, to be offered at \$2 per share. The concern manufactures and markets printing equipments. Universal Heritage Investments Corp., Torrance, CA, will manage the underwriting. Offering expected in Jan.

## Bank Holding Companies

**ALABAMA BANCORP.**  
First National-Southern Natural Bldg., Birmingham, AL, Nov. 19, 1975 filed \$30,000,000 of notes due 1984. The company, the largest bank holding concern in Alabama, and the 49th in the U.S., which owns 12 commercial banks, a mortgage and a finance company, will use the proceeds to reduce short-term debts, to acquire two banks in 1976, and for other corporate purposes. First Boston Corp.; Merrill Lynch, Pierce, Fenner & Smith Inc., NY; J.C. Bradford & Co. Inc., Nashville, TN; and Robinson-Humphrey Co. Inc., Atlanta, GA, will manage the underwriting. Offering imminent. V. 219 7435, p. 65.

**CULLEN BANKERS INC.**  
600 Jefferson St., Houston, TX, Oct. 31, 1975 filed 135,000 shares of common. The bank holding concern has two subsidiaries; Cullen Center Banks & Trust in Houston, and Citizens National Bank of Dallas, TX. Rotan Mosle Inc., Houston, TX; and Rauscher Pierce Securities Corp., Dallas, TX, will manage the underwriting. Offering imminent. V. 219 7433, p. 73.

## Mutual Funds

**AMERICAN GENERAL EXCHANGE FUND**  
201 South Lake Ave., Pasadena, CA, Dec. 4, 1975 filed 1,000,000 shares of limited partnership interest, to be offered in exchange for appreciated equity securities of a character consistent with the Fund's investment objectives, and cash. The Fund is a newly organized limited partnership which will operate as an open-end diversified management investment company and will seek long term growth capital and secondarily, current income. Alex. Brown & Sons, Baltimore, MD, is the dealer-manager. Offering expected in Jan. (N)

**AMERICAN MANAGED SECURITIES, INC.**  
25 South Charles St., Baltimore, MD, June 23, 1975 filed 1,500,000 shares of common, to be offered at \$10 per share. The no-load, open-end investment concern's objective is long term growth of capital. Valley Forge Investment Management Corp., Valley Forge, PA, will manage the underwriting.

**COMPOSITE INCOME FUND, INC.**  
W. 602 Sprague Ave., Spokane, WA, Nov. 13, 1975 filed 400,000 shares of capital stock. The concern is a newly-formed company with emphasis on current income. Murphey Farve, Inc., Spokane, WA, will manage the underwriting. Offering expected in Jan. (N)

**CORPORATE INCOME FUND, 3RD PREFERRED STOCK SERIES**  
Nov. 10, 1975 filed \$20,000,000 of units of beneficial interest. The Fund, a unit investment trust, primary objective is providing a high level of current income through investment in a fixed portfolio of cumulative preferred stocks. Merrill Lynch, Pierce, Fenner & Smith Inc., NY, will manage the underwriting. Offering expected in Dec.

**CORPORATE INCOME FUND, THIRD SERIES**  
Nov. 19, 1975 filed \$12,500,000 of units. The Fund's primary objective is providing a high level of current income through investment in a fixed portfolio of long-term corporate debt obligations and fixed dividend sinking fund preferred stocks. E.F. Hutton & Co. Inc., NY, will manage the underwriting. Offering expected in Jan.

**CORPORATE INCOME FUND, FOURTH INTERMEDIATE TERM SERIES**  
Nov. 26, 1975 filed \$20,000,000 of units. The Fund's primary objective is providing a high level of current income through investment in a fixed portfolio of intermediate-long term debt obligations, issued primarily by corporations. Merrill Lynch, Pierce, Fenner & Smith Inc., NY, will manage the underwriting. Offering expected in Jan.

**CORPORATE INCOME FUND, 25TH MONTHLY PAYMENT SERIES**  
Nov. 10, 1975 filed \$20,000,000 of units of beneficial in-

terest. The unit investment trust primary objective is providing a high level of current income through investment in a fixed portfolio of long term debt obligations, issued primarily by corporations. Merrill Lynch, Pierce, Fenner & Smith Inc., NY, will manage the underwriting. Offering expected in Dec.

**CORPORATE INCOME FUND, SECOND THIRTY MONTH SERIES**  
March 21, 1975 filed 20,000 units of beneficial interest. The fund, a unit investment trust, is to provide a high level of current income through investment in a fixed portfolio of interest-bearing short-term obligations. Merrill Lynch, Pierce, Fenner & Smith Inc., NY, is the sponsor. Offering expected in Jan.

**GOLD INCOME INVESTORS INC.**  
420 Lexington Ave., NY, May 5, 1975 filed 1,000,000 shares of capital stock. The company is a newly organized open-end diversified management investment company and will concentrate its investments in securities of companies in the gold mining industry. Thomson & McKinnon Auchincloss Kohlmeier Inc., NY, will manage the underwriting. Offering expected in Jan.

**HARVEST FUND**  
Oct. 6, 1975 filed 3,000 units of limited partnership interests, to be offered at \$1,000 per unit. Todd & Co. Inc., Carstadt, NJ, will manage the underwriting. Offering expected in Dec.

**ML TRUST FOR GOVT. GUARANTEED SECURITIES 2ND MONTHLY PAYMENT SERIES**  
1 Liberty Plaza, 165 Broadway, NY, Jan. 14, 1975 filed 25,000 units, including 5,000 units for resale. Merrill Lynch, Pierce, Fenner & Smith Inc., NY, is the depositor. Offering expected in Jan.

**MONEY MARKET TRUST**  
421 Seventh Ave., Pittsburgh, PA, Feb. 14, 1975 filed 1,000,000 shares of beneficial interests, to be offered at \$1 per share. The company is a no-load, open-end, diversified management investment trust. Federal Federated Securities Corp., Pittsburgh, PA is the distributor.

**MOUNTAIN VIEW FUTURES FUND**  
1020 South Wabash Ave., Chicago, IL, Dec. 1, 1975 filed 5,000 units of limited partnership interest, to be offered at \$1,000 per unit, with a minimum purchase of 5 units. The Fund is a limited partnership which will engage in the trading of commodity futures contracts. Continental Securities Inc., Chicago, IL, will manage the underwriting. Offering expected in Jan. (N)

**MUNICIPAL BOND FUND, SERIES 25**  
Dec. 2, 1975 filed 5,000 units. The Trust, created under a trust indenture, will consist of interest-bearing obligations. Paine, Webber, Jackson & Curtis Inc.; and Hornblower & Weeks-Hemphill Noyes Inc., NY, will manage the underwriting. Offering expected in Jan. (N)

**MUNICIPAL INCOME FUND, 2ND INSURED DISCOUNT SERIES**  
March 28, 1975 filed 55,000 units, including 5,000 registered for resale. Merrill Lynch, Pierce, Fenner & Smith Inc., NY, is the depositor. Offering expected in Jan.

**MUNICIPAL INVESTMENT TRUST FUND, 11TH PENNSYLVANIA SERIES**  
Nov. 25, 1975 filed \$5,000,000 of beneficial interest. The Fund's primary objective is producing tax-exempt income through investment in a fixed portfolio of interest-bearing, long term state, municipal and public authority bonds. Merrill Lynch, Pierce, Fenner & Smith Inc.; Bache & Co. Inc.; and Reynolds Securities Inc., NY, will manage the underwriting. Offering expected in Jan. (N)

**NUVEEN TAX-EXEMPT BOND FUND, SERIES 79**  
Oct. 16, 1975 filed \$10,000,000 of units. The unit investment trust consists of a portfolio of interest-bearing obligations. John Nuveen Co. Inc., NY, will manage the underwriting. Offering expected in Dec.

**NUVEEN TAX-EXEMPT BOND FUND, SERIES 80**  
Oct. 31, 1975 filed \$10,000,000 of units. The Fund, one in a series of unit investment trusts, consists of a portfolio of interest-bearing obligations. John Nuveen & Co. Inc., NY, will manage the underwriting. Offering expected in Jan.

**NUVEEN TAX-EXEMPT BOND FUND, SERIES 81**  
Dec. 3, 1975 filed \$10,000,000 of units. The Fund, one in a series of unit investment trusts, consists of a portfolio of interest-bearing obligations. John Nuveen & Co. Inc., NY, will manage the underwriting. Offering expected in Jan. (N)

**QUALIFIED DIVIDEND PORTFOLIO INC.**  
P.O. Box 823, Valley Forge, PA, Nov. 11, 1975 filed an amendment for 1,000,000 shares of common. The company formerly Corporate Investors Income Fund Inc., is a no-load, open-end, diversified investment concern. Wellington Management Management Co., Valley Forge, PA, will manage the underwriting. Offering imminent. (R)

**QUALIFIED DIVIDEND PORTFOLIO INC. (II)**  
11 P.O. Box 823, Valley Forge, PA, Oct. 28, 1975 filed 1,000,000 shares of common. The Fund is a diversified, open-end investment concern. Wellington Management Co., Valley Forge, PA, will manage the underwriting. Offering imminent.

**READY RESERVES TRUST**  
100 Federal St., Boston, MA, Oct. 7, 1975 filed 200,000 shares of beneficial interest. The company is an open-end diversified management investment concern. Massachusetts Co. Distributors Inc., Boston, MA, will manage the underwriting. Offering expected in Dec.

**SHORT-TERM U.S. GOVT. SECURITIES TRUST**  
421 Seventh Ave., Pittsburgh, PA, Nov. 3, 1975 filed 1,000,000 shares of beneficial interest. The Trust will be an open-end diversified investment company investing exclusively in US Govt. securities maturing in one year and less. Federated Securities Corp., Pittsburgh, PA, is the Distributor. Offering expected in Jan.

**TAX-EXEMPT FUND, NATIONAL SERIES 23**  
Nov. 19, 1975 filed \$15,000,000 of units. The Fund consists of interest-bearing obligations. E.F. Hutton & Co. Inc., NY, will manage the underwriting. Offering expected in mid-Jan.

**TAX-EXEMPT TRUST, 12TH SERIES**  
Nov. 7, 1975 filed \$8,000,000 of units. The Trust will consist of interest bearing obligations. Dean Witter & Co. Inc., San Francisco, CA, will manage the underwriting. Offering expected in Jan.

**TIMBER FUND LTD - 1975**  
One Wilshire Blvd Bldg., Suite 2620 Los Angeles, CA, June 13, 1975 filed \$8,400,000 of limited partnership units, to be offered at \$1,000 per unit, with a minimum purchase of two units. International Securities Corp., Newport Beach, CA, will manage the underwriting.

**VANCE SANDERS EXCHANGE FUND**  
One Beacon St., Boston, MA, Sept. 30, 1975 filed 500,000 shares of limited partnership interest. The Fund is a diversified open-end investment concern seeking long term growth-capital and income. Vance Sanders & Co. Inc., Boston, MA, will manage the underwriting. Offering expected Jan. 6.

**WEDNESDAY ALPHA CORP.**  
203 Park Bldg., Cleveland, OH, June 11, 1975 filed 280,000 shares of common stock. The company is a closed-end investment concern. L.A. Caunter & Co., Cleveland, OH, will manage the underwriting. V. 220 7474, p. 26.

## Recent Issues Filed with SEC

**ACACIA FUND CORP.**  
51 Louisiana Ave., N.W. Washington, D.C., Dec. 4, 1975 filed 15,000,000 shares of common stock. The concern is a management, open-end diversified investment company authorized to issue its shares in more than one series. Initially, it will issue shares without sales load to members of the Acacia Group Cos, to the public as the underlying securities of Acacia National Variable Annuity Account A, and to other variable annuity accounts of Acacia National Life Insurance Co. V. 218, p. 1217.

**ALCAN ALUMINIUM LTD**  
1 Place Ville Marie, Montreal, Quebec, Canada, Dec. 5, 1975 filed 666,918 shares of common, to be offered, from time to time, by certain shareholders. The concern is a Canadian corporation engaged, through subsidiaries and related companies, in all phases of the aluminum business on an international scale.

**AMERICAN GENERAL EXCHANGE FUND**  
201 South Lake Ave., Pasadena, CA, Dec. 4, 1975 filed 1,000,000 shares of limited partnership interest, to be offered in exchange for appreciated equity securities of a character consistent with the Fund's investment objectives, and cash. The Fund is a newly organized limited partnership which will operate as an open-end diversified management investment company and will seek long term growth capital and secondarily, current income. Alex. Brown & Sons Baltimore MD, is the dealer-manager.

**ARACIA NATIONAL VARIABLE ANNUITY ACCOUNT A**  
51 Louisiana Ave., N.W. Washington, D.C., Dec. 5, 1975 filed \$7,500,000 of individual and group variable contracts, to be offered by Acacia National Life Insurance Co. Variable Account A is a unit investment trust which will fund individual and group variable contracts designed for use by individuals to supplement retirement income. V. 218, p. 217.

**DURO-TEST CORP.**  
2321-2401 Kennedy Blvd., Not North Bergen, NJ, Nov. 24, 1975 filed 250,000 shares of common stock, to be issued pursuant to the Employees Stock Purchase Plan. The concern is engaged in the manufacture and sale of light bulbs for residential, commercial, and industrial use.

**DYMO INDUSTRIES, INC.**  
One Embarcadero Center, San Francisco, CA, Dec. 8, 1975 filed 23,306 shares of common stock, to be offered, from time to time, by selling stockholders. The concern is engaged in visual communications and systems. V. 218, p. 949.

**ECC OIL CO.**  
725 Fresno Townhouse, Fresno, CA, Nov. 13, 1975 filed 660 undivided fractional working interests in the NE 1/4 of Section 13, Township 23 North, Range 10 East, Osage County, OK, comprising 160 acres, to be offered at \$1,000 per unit, with a minimum purchase of 5 units. The joint venture will drill ten oil wells and two salt water disposal wells on the offered 160 acres. V. 218, p. 1069.

**ENERGY MANAGEMENT CORP.**  
Suite 2410, 1600 Broadway, Denver, CO, Dec. 1, 1975 filed \$8,000,000 of pre-formation limited partnership interests, to be offered at \$1,000 per unit, with a minimum investment of \$5,000 in Energy Gas & Oil Drilling Program 1976-77, to be offered on a best-efforts basis. The program will consist of formation of consecutive limited partnerships to engage in drilling of gas and oil. V. 219 7448, p. 63.

**FINANCIAL DAILY INCOME SHARES, INC.**  
1050 South Broadway, P.O. Box 2040, Denver, CO, Nov. 24, 1975 filed 10,000,000 shares of common. The investment objective is high current income consistent with liquidity and safety of capital. Substantially all of the company's assets will be invested in short-term obligations issued or guaranteed by the U.S. Govt. Financial Programs Inc., Denver, CO, is the investment-adviser.

**GIT INDUSTRIES, INC.**  
230 Park Ave., NY, Dec. 5, 1975 filed 1,075,139 shares of common, to be offered in exchange for all the assets of GIT Realty & Mortgage Investors, whereby each shareholder will receive one share of common for each share of beneficial interest previously held by him. The concern is a wholly-owned subsidiary of GIT Realty & Mortgage Investors.

**GENERAL INSTRUMENT CORP.**  
1775 Broadway, NY, Dec. 16, 1975 filed newly issued convertible subordinated debentures due 1996 for \$48,600,000 of its outstanding five per cent convertible subordinated debentures due 1992. Terms of the swap will be announced at offering time. The concern, which is a major supplier of components and equipment to the electronics industry and to the armed services, will use the proceeds to reduce long-term debts. Loeb, Rhoades & Co., NY, will act as the dealer-manager. V. 219 7376, p. 21.

**GRUMMAN AMERICAN AVIATION CORP.**  
Travis Field, P.O. Box 2206, Savannah, GA, Dec. 5, 1975 filed 3,700,000 shares of common, to be offered to holders of warrants issued in 1972. The company designs, manufactures and sells commercial aircraft.

**GULF & WESTERN INDUSTRIES, INC.**  
1 Gulf & Western Plaza, NY, Dec. 4, 1975 filed 215,582 shares of common; and 5,929 shares of cumulative convertible preferred stock, to be offered, from time to time, by certain selling security holders. The company is engaged in various activities in the areas of manufacturing, food, agricultural and related products. V. 220 7483, p. 23.

**LOUISIANA GENERAL SERVICES, INC.**  
1233 West Bank Expressway, Harvey, LA, Dec. 4, 1975 filed \$4,663,700 of 9 1/2 per cent subordinated investment notes (SIC), series C-1 and C-3 due 1981; and 9 1/2 per cent SIC, series C-2 and C-4 due 1986. Part of this issue will be offered in exchange for the outstanding 7 1/2 per cent capital debentures, series 2A and 3A due 1976 of Louisiana Gas Financial Corp., a wholly owned subsidiary of the company, at the rate of \$100 series C note for each \$100 debenture. The company, through subsidiaries, is engaged in natural gas distribution. V. 220 7456, p. 65.

**MANITOBA HYDRO-ELECTRIC BOARD**  
Winnipeg, Manitoba, Canada, Dec. 18, 1975 filed \$100,000,000 of series 3L bonds due Jan. 15, 2006. The bonds will be unconditionally guaranteed after payment of principal and interest by the Province. Merrill Lynch,

December 22, 1975

**Pierce, Fenner & Smith Inc.:** First Boston Corp.; Salomon Brothers; Wood Gundy Inc.; and Richardson Securities Inc., NY, will manage the underwriting. V. 220 7491, p. 24.

**MONEY MARKET—OPTIONS INVESTMENTS, INC.** 535 Boylston St., Boston, MA, Dec. 10, 1975 filed 1,200,000 shares of common stock. The concern is a diversified open-end investment company and proposes to receive investment advice from John P. Chase, Inc., a subsidiary of Phoenix Mutual Life Insurance Co., Hartford, CT. Donaldson, Lufkin & Jenrette Securities Corp., NY, will manage the underwriting.

**NATIONAL MUNICIPAL TRUST, 13TH SERIES** Dec. 9, 1975 filed \$7,500,000 of units. The unit investment objectives are tax-exempt income and conservation of capital through an investment in a diversified portfolio of municipal bonds. Thomson & McKinnon Auchincloss Kohlmeyer Inc., NY; and Piper, Jaffray & Hopwood Inc., Minneapolis, MN, will manage the underwriting.

**NEW YORK STATE ELECTRIC & GAS CORP.** 4500 Vestal Parkway East, Binghamton, NY, Dec. 5, 1975 filed \$50,000,000 of first mortgage bonds. The public utility concern will use the proceeds for debt repayment. Lehman Brothers Inc., NY, will manage the underwriting. V. 220 7493, p. 24.

**PUGET SOUND POWER & LIGHT CO.** Puget Power Bldg., Bellevue, WA, Dec. 17, 1975 filed 800,000 shares of \$25 par value preferred stock. The utility concern will use the proceeds for its construction program. Merrill Lynch, Pierce, Fenner & Smith Inc., NY; and Dean Witter & Co. Inc., San Francisco, CA, will manage the underwriting. V. 220 7480, p. 23.

**QUALIFIED INCOME SECURITIES, INC.** 99 Hudson St., NY, Nov. 21, 1975 filed \$500,000 of series A single payment face-amount certificates, to be offered in minimum amounts of \$2,500, with larger certificates in multiples of \$500; and \$500,000 of series B installment payment face-amount certificates, to be offered in amounts of \$10,000, \$20,000 and \$25,000. The concern is a face-amount certificate company.

**SANTA FE INTERNATIONAL CORP.** Union Bank Square, South Tower, P.O. Box 1401, Orange, CA, Dec. 17, 1975 filed \$30,000,000 of convertible subordinated debentures, to be converted into the company's common stock. The company, which primarily is a service contractor to the international oil industry, will use the proceeds to increase its general funds and for capital requirements for drilling and construction equipment. Dean Witter & Co. Inc., San Francisco, CA; and Blyth Eastman Dillon & Co. Inc., NY, will manage the underwriting. V. 219 7376, p. 19.

**TAX-EXEMPT SECURITIES TRUST, SERIES 5** Dec. 11, 1975 filed \$10,000,000 of units. The Trust, one in a series of unit investment trusts, will consist of interest-bearing obligations. Loeb, Rhoades & Co.; and Harris, Upham & Co. Inc., NY, will manage the underwriting.

**TAXPAYERS AID SOCIETY, INC.** 107 North Vance St., Pembroke, NC, Dec. 8, 1975 filed \$400,000 of promissory notes-short-term maturity (5 months). The society offers a quick cash advance service on due income tax refunds to its members.

**UNIVERSITY PATENTS, INC.** 2777 Sumner St., Stamford, CT, Dec. 5, 1975 filed 129,000 shares of common, issuable upon exercise of employee stock options. The company markets, licenses and administers patents, and also manufactures and sells rugs. V. 220 7498, p. 24.

**UPPSTER CORP.** 110 Marcus Blvd., Hauppauge, NY, Nov. 24, 1975 filed 137,552 shares of common, to be offered in exchange for the outstanding common and preferred shares of GAP Instrument Corp., Hauppauge, NY, on a 1-for-14 basis. The concern has developed a high-speed non-impact printer to be used, primarily, with computers. V. 219 7388, p. 18.

**USERS INC.** 1703 East Joppa Rd., Baltimore, MD, Nov. 25, 1975 filed 1,000 shares of common, to be offered at \$4,000 per share, to be offered and sold only to credit unions which use the company's services. The concern is engaged in the business of providing data processing and automated accounting services to credit unions.

## Effective Registrations

**A.E. AMES & CO. LTD.** Province of Quebec \$50,000,000 of 10 3/4 per cent bonds due Sept. 4, 1999, offered at 99.75 per cent, plus accrued interest, to yield 10.78 per cent; and \$50,000,000 of 9 1/2 per cent bonds due Nov. 10, 2000, offered at 99.50 per cent, plus accrued interest, to yield 9.96 per cent, on Dec. 15, by A.E. Ames & Co. Ltd., Toronto, Canada. V. 220 7471, p. 26.

**ADVEST CO.** Connecticut Water Service Inc. 100,000 shares of common offered at \$10.25 per share, on Dec. 16, by Advest Co., Hartford, CT. V. 218 p. 217.

**AUBREY K. JOHNSON** Thirteen Banks for Cooperatives \$588,700,000 of 6.25 per cent consolidated bonds due July 1, 1976, BP 1; Twelve Federal Intermediate Credit Banks \$897,700,000 of 6.55 per cent consolidated bonds due Oct. 4, 1976, BS O; and \$432,400,000 of 7.90 per cent consolidated bonds due Jan. 5, 1981, BV 3, all offered at 100 per cent, by Aubrey K. Johnson, Fiscal Agent, NY; with the assistance of a nationwide selling group of recognized dealers in securities. V. 220 7493, p. 24.

**BLYTH EASTMAN DILLON & CO. LTD.** Beneficial Finance International Corp. \$25,000,000 (Canadian) of 9 1/2 per cent Eurobond bonds due 1983, offered at 100 per cent, on Dec. 17, by Blyth Eastman Dillon & Co. Ltd., Vancouver, B.C. Canada. V. 220 7442, p. 63.

**CENTENNIAL SECURITIES INC.** Dairy Capital Corp. \$5,000,000 of limited partnership interest offered at \$5,000 per unit, on Nov. 28, by Centennial Securities Inc., Salt Lake City, UT. V. 218, p. 805.

**DEAN WITTER & CO. INC.** Central Telephone Co. \$20,000,000 of 9 1/2 per cent first mortgage & collateral lien bonds due Dec. 1, 2000, rated Aa Moodys and A by Standard & Poors, offered at 100 per cent, plus accrued interest, on Dec. 18, by Dean Witter & Co. Inc., San Francisco, CA; and Paine, Webber, Jackson & Curtis Inc., NY. V. 219 7447, p. 63.

**DONALDSON, LUFKIN & JENRETTE SECURITIES CORP.** Curtice-Burns Inc. 413,294 shares of class A common offered at \$11.50 per share, on Dec. 16, by Donaldson, Lufkin & Jenrette Securities Corp., NY; Advest Co., Hartford, CT; and Hugh Johnson & Co. Inc., Buffalo, NY. V. 220 7476, p. 26.

**EBERSTADT (F.) & CO. INC.** Triwall Bond Fund Inc. 10,000,000 shares of capital stock, offered at \$10 per share, on Dec. 12, by F. Eberstadt & Co. Inc., NY. V. 220 7492, p. 24.

**FIRST BOSTON CORP.** International Paper Co. \$150,000,000 of 8.85 per cent sinking fund debentures due Dec. 15, 2000, rated Aa Moodys and AA by Standard & Poors, offered at 100 per cent, plus accrued interest, on Dec. 16, by First Boston Corp., NY. V. 220 7499, p. 22.

**FIRST BOSTON CORP.** Alabama Power Co. 500,000 shares of 11 per cent cumulative preferred stock, rated Baa Moodys; A-Standard & Poors, and A by Fitch, offered at \$100 per share, plus accrued dividends, on Dec. 17, by First Boston Corp., NY; Halsey, Stuart & Co. Inc., Chicago, IL; Drexel Burnham & Co. Inc.; Goldman, Sachs & Co.; E.F. Hutton & Co. Inc., NY; Dean Witter & Co. Inc., San Francisco, CA; Shearson Hayden Stone Inc.; and Spencer Trask & Co. Inc., NY. V. 220 7485, p. 21.

**HUTTON (E.F.) & CO. INC.** Tesoro Petroleum Corp. 4,000,000 shares of \$2.16 convertible preferred stock, offered at \$25 per share, plus accrued dividends, to yield 8.64 per cent, on Dec. 17, by E.F. Hutton & Co. Inc., NY. V. 219 7380, p. 19.

**KIDDER, PEABODY & CO. INC.** Great Northern Nekeosa Corp., 317,913 shares of common offered at \$41 per share, on Dec. 17, by Kidder, Peabody & Co. Inc., NY. V. 220 7480, p. 23.

**KIDDER, PEABODY & CO. INC.** Mitsubishi Electric Corp. \$30,000,000 of 7 1/2 per cent convertible debentures due 1990, offered at 100 per cent (convertible into the company's shares), on Dec. 17, by Kidder, Peabody & Co. Inc., NY. This issue is offered to foreign investors.

**KUHN, LOEB & CO.** European Coal & Steel Community \$125,000,000 of 8 1/2 per cent notes due Dec. 15, 1980, rated Aaa Moodys and AAA by Standard & Poors, offered at 100 per cent, plus accrued interest, on Dec. 1, by Kuhn, Loeb & Co.; First Boston Corp.; Lazard Freres & Co.; and Warburg, Paribas Becker Inc., NY. V. 220 7455, p. 68.

**LEHMAN BROTHERS INC.** Textron Inc. \$75,000,000 of 8.50 per cent notes due 1980, rated A by both Moodys and Standard & Poors, offered at 100 per cent, plus accrued interest, on Dec. 16, by Lehman Brothers Inc., NY. V. 217, p. 1765.

**LOEB, RHOADES & CO.** Northwest Energy Co. 750,000 shares of common offered at \$24 per share, on Dec. 17, by Loeb, Rhoades & Co., NY. V. 219 7450, p. 58.

**MERRILL LYNCH, PIERCE, FENNER & SMITH INC.** Burlington Northern Inc. \$15,000,000 of 8 1/2 per cent Equipment Trust of 1976, Series 1, due 1977-91, rated Aa Moodys and AA by Standard & Poors, offered to yield 7.25 per cent for those due 1977, out to 8.60 per cent for those maturing 1990-91, on Dec. 16, by Merrill Lynch, Pierce, Fenner & Smith Inc.; First Boston Corp., NY; and Halsey, Stuart & Co. Inc., Chicago, IL. V. 220 7479, p. 24.

**MERRILL LYNCH, PIERCE, FENNER & SMITH INC.** Municipal Investment Trust Fund, 47th Monthly Payment Series 70,000 units of beneficial interest, offered at \$1,017.86 per unit, with a minimum investment of 1 unit, to return 8.21 per cent, plus accrued interest of \$7.73, on Dec. 11, by Merrill Lynch, Pierce, Fenner & Smith Inc.; Bache & Co. Inc.; and Reynolds Securities Inc., NY. V. 220 7498, p. 24.

**MERRILL LYNCH, PIERCE, FENNER & SMITH INC.** Public Service Electric & Gas Co. 1,600,000 of \$2.44 shares of cumulative preferred stock, rated A by Moodys; Standard & Poors, and Fitch, offered at \$25 per share, plus accrued dividends, to yield 9.75 per cent, on Dec. 16, by Merrill Lynch, Pierce, Fenner & Smith Inc.; and Kidder, Peabody & Co. Inc., NY. V. 220 7472, p. 26.

**MERRILL LYNCH, PIERCE, FENNER & SMITH INC.** Regional Municipality of Ottawa-Carleton \$30,000,000 of 9 1/2 per cent sinking fund debentures due Jan. 1, 1995, offered at 99.50 per cent, plus accrued interest, to yield 9.43 per cent; and \$20,000,000 of serial debentures due Jan. 1, 1977-84, offered to yield 7.50 per cent for those due in 1977, out to 9.00 per cent for those maturing in 1984, all rated Aaa Moodys and AA by Standard & Poors, on Dec. 17, by Merrill Lynch, Pierce, Fenner & Smith Inc.; Wood Gundy Inc.; and Equitable Canada Inc., NY. V. 220 7498, p. 24.

**MORGAN STANLEY & CO. INC.** Carter Hawley Hale Stores Inc. \$60,000,000 of 9.45 per cent debentures due 2000, rated A by both Moodys and Standard & Poors, offered at 100 per cent, plus accrued interest, on Dec. 17, by Morgan Stanley & Co. Inc., NY. V. 220 7474, p. 25.

**OHIO CO.** Gladieux Food Services Inc. \$2,500,000 of 10 1/2 per cent sinking fund debentures due Dec. 1, 1987, offered at 100 per cent, (each \$1,000 debentures, with warrants, to purchase 100 shares of common stock), on Dec. 10, by Ohio Co., Columbus, OH. V. 220 7496, p. 22.

**OHIO CO.** Zondervan Corp. \$500,000 of 9 1/2 per cent sinking fund debentures due Dec. 15, 1980; \$2,000,000 of 10 1/2 per cent sinking fund debentures due Dec. 15, 1985; and \$2,000,000 of 11 per cent secured sinking fund notes due Dec. 15, 1990, all offered at 100 per cent, on Dec. 15, by Ohio Co., Columbus, OH. V. 218, p. 998.

**ROTAN MOSLE INC.** Cullen Bankers Inc. 135,000 shares of common offered at \$17 per share, on Dec. 16, by Rotan Mosle Inc., Houston, TX; and Rauscher Pierce Securities Corp., Dallas, TX. V. 219 7433, p. 73.

**SALOMON BROTHERS** Alabama Power Co. \$100,000,000 of 10 1/2 per cent first mortgage bonds due Dec. 1, 2005, rated A Moodys and Fitch; and A- by Standard & Poors, offered at 100 per cent, plus accrued interest, on Dec. 17, by Salomon Brothers; Blyth Eastman Dillon & Co. Inc.; First Boston Corp., NY; Halsey, Stuart & Co. Inc., Chicago, IL; Kidder, Peabody & Co. Inc.; Lehman Brothers Inc.; and Merrill Lynch, Pierce, Fenner & Smith Inc., NY. V. 220 7485, p. 21.

**SALOMON BROTHERS** American Express Credit Corp. \$50,000,000 of 8 1/2 per cent notes due 1985, rated A Moodys; AA by both Standard & Poors, and Fitch, offered at 100 per cent, plus accrued interest, on Dec. 18, by Salomon Brothers; and Blyth Eastman Dillon & Co. Inc., NY. V. 219 7447, p. 63.

**SALOMON BROTHERS** Avco Financial Services Inc. \$50,000,000 of 9 1/2 per cent senior notes due Dec. 15, 1983, rated A by both Moodys and Standard & Poors, offered at 100 per cent, plus ac-

crued interest, on Dec. 17, by Salomon Brothers; and Kidder, Peabody & Co. Inc., NY. V. 220 7457, p. 64.

**SALOMON BROTHERS** Government National Mortgage Association \$130,868,840.41 of 7 1/4 per cent GNMA Modified Pass-Through 30-yr securities, offered at 99.50 per cent, plus accrued interest, to yield 8.70 per cent; and \$68,673,936.89 of 7 1/2 per cent GNMA Modified Pass-Through 30-yr securities, offered at 91.25 per cent, plus accrued interest, to yield 8.70 per cent, on Dec. 11, by Salomon Brothers; and Paine, Webber, Jackson & Curtis Inc., NY. V. 220 7500, p. 22.

**SALOMON BROTHERS** Union Tank Car Co. \$32,800,000 of 9.50 per cent sinking fund certificates due Dec. 15, 1995, offered at 100 per cent; and \$7,200,000 of serial certificates due 1979-81, offered to yield 8.40 per cent for those due in 1979 out to 8.60 per cent for those maturing in 1981, all are rated A by both Moodys and Standard & Poors, on Dec. 16, by Salomon Brothers, NY. V. 220 7471, p. 25.

**WELLINGTON MANAGEMENT CO.** Qualified Dividends Portfolio Inc. 1,000,000 shares of common offered at \$10 per share; and Qualified Dividend Portfolio Inc. II 1,000,000 shares of common offered at \$10 per share, on Dec. 3, by Wellington Management Co., Valley Forge, PA. V. 220 7496, p. 22.

## Prospective Offerings

**ALBERTSON'S INC.** Dec. 2, 1975 it was reported that this company plans the sale of about 750,000 shares of common stock, in early 1976. Underwriter — Expected to be Dean Witter & Co. Inc., San Francisco, CA.

**AMERICAN ELECTRIC POWER CO.** Dec. 16, 1975 it was reported that this company plans the sale of about 8,500,000 shares of common, to be offered to the company's stockholders, on a 1-for-10 basis. Unsubscribed shares will be publicly offered through competitive bidding, sometime in the first quarter of 1976. V. 220 7464, p. 69.

**ASIAN DEVELOPMENT BANK** Oct. 31, 1975 it was reported that this Bank plans the sale of about \$75,000,000 of notes due 1980. Underwriters — Kuhn, Loeb & Co.; and First Boston Corp., NY. V. 220 7466, p. 68.

**BALTIMORE & OHIO RAILROAD CO. (1-6)** June 22, 1975 it was reported that this Road plans the sale of about \$10,050,000 of equipment trust certificates due 1976-90. Underwriter — Competitive bidding. Bids expected Jan. 6. V. 219 7394, p. 21.

**BENEFICIAL CORP.** Dec. 3, 1975 it was reported that this finance concern plans the sale of \$25,000,000 of 9 1/4 per cent seven-year bonds, in mid-Dec., to European investors. Underwriter — Blyth Eastman Dillon & Co. Inc., NY. V. 220 7442, p. 63.

**BLACK HILLS POWER & LIGHT CO.** June 9, 1975 it was reported that this company plans the sale of about 50,000 shares of common through rights, in Jan. Underwriter — Expected to be Piper, Jaffray & Hopwood Inc., Minneapolis, MN.

**BROOKLYN UNION GAS CO.** Oct. 22, 1975 it was reported that this utility plans the sale of about \$50,000,000 of first mortgage bonds; and \$10,000,000 of stock. Underwriter — Expected to be White, Weld & Co. Inc., NY. V. 220 7486, p. 23.

**CALIFORNIA-PACIFIC UTILITIES CO.** Dec. 1, 1975 it was reported that this company plans the sale of about 220,000 shares of common stock, in early 1976. Underwriter — Expected to be at competitive bidding. V. 220 7475, p. 76.

**CENTRAL ILLINOIS LIGHT CO. (4-28)** Dec. 1, 1975 it was reported that this company plans the sale of about \$40,000,000 of first mortgage bonds. Underwriter — Competitive bidding. Bids expected at 11 a.m., on April 20. V. 220 7460, p. 65.

**CENTRAL TELEPHONE & UTILITIES CORP.** Dec. 11, 1975 it was reported that this company plans the sale of about 1,000,000 shares of common, sometime in the first quarter of 1976. Method of sale is to be determined. V. 220 7498, p. 24.

**CHESAPEAKE & OHIO RAILWAY (1-13)** Sept. 29, 1975 it was reported that this Road plans the sale of about \$15,000,000 of equipment trust certificates due 1976-90. Underwriter — Competitive bidding. Bids expected at 11 a.m., on Jan. 13. V. 220 7427, p. 27.

**CINCINNATI GAS & ELECTRIC CO. (1-7)** Nov. 10, 1975 it was reported that this company plans the sale of 450,000 shares of \$100 par value preferred stock. Underwriters — Morgan Stanley & Co. Inc.; and E.F. Hutton & Co. Inc., NY. Offering expected Jan. 7. V. 220 7470, p. 26.

**CONSUMERS POWER CO.** July 14, 1975 it was reported that this company plans the sale of about \$55,000,000 of common stock, in Jan. Underwriter — Expected to be Morgan Stanley & Co. Inc., NY. V. 220 7478, p. 19.

**GENERAL TELEPHONE & ELECTRONICS CORP.** Oct. 28, 1975 it was reported that this company plans the sale of about 3,000,000 shares of preferred stock. Underwriter — Expected to be Paine, Webber, Jackson & Curtis Inc., NY. V. 220 7480, p. 23.

**GREYHOUND CORP. (1-19)** Dec. 15, 1975 it was reported that this company plans the sale of about \$100,000,000 of sinking fund debentures due Jan. 15, 2001. Underwriters — Goldman, Sachs & Co., NY. Offering expected week of Jan. 19.

**GULF STATES UTILITIES CO. (1-28)** Nov. 18, 1975 it was reported that this company plans the sale of about \$60,000,000 of bonds; and 4,000,000 shares of common stock. Underwriters — Competitive bidding. Bids expected at 11 a.m., on the bonds; and at 4.30 p.m., on the stock, on Jan. 28. V. 220 7469, p. 26.

**IOWA POWER & LIGHT CO. (2-25)** Nov. 4, 1975 it was reported that this utility plans the sale of about \$25,000,000 of bonds and \$10,000,000 of common stock. Underwriters — Halsey Stuart & Co. Inc., Chicago, IL, managed a previous common stock offering for the company. Bids expected at 11 a.m., on Feb. 25, on the bonds. The stock will also be sold on that date. V. 220 7463, p. 66.

**KANSAS GAS & ELECTRIC CO.** Nov. 18, 1975 it was reported that this company plans the sale of about 1,100,000 shares of common stock, in early 1976. Underwriters — Expected to be E.F. Hutton & Co. Inc.; Goldman, Sachs & Co.; and Blyth Eastman Dillon & Co. Inc., NY. V. 220 7477, p. 28.

**MICROFORM DATA SYSTEMS** Jan. 13, 1975 it was reported that this company still plans the sale of about 700,000 shares of common. Underwriter — Birr, Wilson & Co. Inc., San Francisco, CA, managed a previous underwriting of common for the company.

**MISSISSIPPI POWER CO. (2-17)** Dec. 15, 1975 it was reported that this company plans the sale of about \$45,000,000 of bonds. Underwriter — Expected to be at competitive bidding. Bids expected at noon, on Feb. 17. V. 220 7486, p. 22.

**MITSUBISHI ELECTRIC CORP.** Dec. 3, 1975 it was reported that this major electrical manufacturer plans the sale of about \$30,000,000 of new convertible bonds due about 1990, to foreign investors, outside the U.S. Underwriter — Kidder, Peabody & Co. Inc., NY.

**NEW JERSEY BELL TELEPHONE CO. (2-24)** Dec. 1, 1975 it was reported that this AT&T unit plans the sale of about \$100,000,000 of debentures, pending approval. Underwriters — Expected to be at competitive bidding. Bids expected Feb. 24. V. 218, p. 573.

**NEW YORK STATE ELECTRIC & GAS CORP. (1-7)** Oct. 28, 1975 it was reported that this utility plans the sale of about \$50,000,000 of first mortgage bonds. Underwriter — To be named. Offering expected Jan. 7. V. 220 7493, p. 24.

**NORFOLK & WESTERN RAILWAY (1-8)** Dec. 15, 1975 it was reported that this Road plans the sale of about \$15,000,000 of equipment trust certificates due 1976-90. Underwriter — Competitive bidding. Bids expected at 11 a.m., on Jan. 8. V. 220 7491, p. 24.

**NORTHERN NATURAL GAS CO. (11-13)** Nov. 25, 1975 it was reported that this company plans the sale of about \$125,000,000 of debentures. Underwriters — Expected to be Blyth Eastman Dillon & Co. Inc.; and Goldman, Sachs & Co., NY. Offering expected Jan. 13. V. 220 7470, p. 26.

**OKLAHOMA GAS & ELECTRIC CO. (1-14)** Oct. 28, 1975 it was reported that this company plans the sale of about \$55,000,000 of first mortgage bonds due about Jan. 1, 2000. Underwriter — Competitive bidding. Bids expected Jan. 14. V. 220 7462, p. 65.

**OMARK INDUSTRIES INC.** June 22, 1975 it was reported that this company plans the sale of about \$25,000,000 of debt securities, in late-1975. Underwriter — Expected to be Smith, Barney & Co. Inc., NY. V. 220 7472, p. 27.

**PACIFIC POWER & LIGHT CO. (1-21)** Dec. 11, 1975 it was reported that this utility concern plans the sale of about \$75,000,000 of first mortgage bonds. Underwriter — Competitive bidding. Bids expected at noon, on Jan. 21. V. 220 7500, p. 26.

**PANHANDLE EASTERN PIPE LINE CO.** Aug. 12, 1975 it was reported that this company plans the sale of about \$40,000,000 of debentures; and 1,500,000 shares of common stock. Underwriters — Kidder, Peabody & Co. Inc.; and Merrill Lynch, Pierce, Fenner & Smith Inc., NY. V. 220 7481, p. 18.

**PUBLIC SERVICE CO. OF INDIANA** Nov. 24, 1975 it was reported that this utility plans the sale of about 1,400,000 shares of common stock, in the first half of 1976. Underwriter — Expected to be Morgan Stanley & Co. Inc., NY. V. 220 7483, p. 24.

**PUBLIC SERVICE CO. OF NEW MEXICO (2-19)** Dec. 15, 1975 it was reported that this company plans the sale of about \$20,000,000 of preferred stock; and \$18,000,000 of common stock. Underwriters — To be named. Offerings expected about Feb. 19. V. 220 7490, p. 24.

**PUGET SOUND POWER & LIGHT CO. (1-22)** Dec. 1, 1975 it was reported that this company plans the sale of about \$20,000,000 of preferred stock. Underwriters — Merrill Lynch, Pierce, Fenner & Smith Inc., NY. Offering expected Jan. 22. V. 220 7486, p. 24.

**SONICS INTERNATIONAL INC.** Nov. 10, 1975 it was reported that this company plans the sale of about 400,000 shares of common stock, of which 90 per cent of the shares will be offered for the account of the company and the remaining shares for the account of certain selling shareholders. Further details to be announced.

**SOUTH CAROLINA ELECTRIC & GAS CO. (2-3)** Dec. 15, 1975 it was reported that this company plans the sale of about \$35,000,000 of bonds; and \$21,000,000 of common stock. Underwriters — To be named. Offerings expected Feb. 3. V. 220 7480, p. 24.

**SOUTHERN CALIFORNIA GAS CO.** May 19, 1975 it was reported that this company plans two sales of about \$40,000,000 of first mortgage bonds, in 1976. Underwriter — Morgan Stanley & Co. Inc., NY, managed a previous bond offering for the company. V. 220 7441, p. 64.

**SOUTHERN CO.** Dec. 8, 1975 it was reported that this company plans the sale of about \$250,000,000 in common stock and notes, in early 1976. Underwriters — Morgan Stanley & Co. Inc.; and Merrill Lynch, Pierce, Fenner & Smith Inc., NY, managed a previous underwriting for the company. V. 220 7478, p. 18.

**SOUTHWESTERN BELL TELEPHONE CO. (3-16)** Dec. 11, 1975 it was reported that this subsidiary of AT&T plans the sale, pending approval, of about \$300,000,000 of debt securities. Type of securities and method of sale are to be determined. Offering expected about March 16. V. 220 7501, p. 55.

**SOUTHWESTERN PUBLIC SERVICE CO.** Dec. 8, 1975 it was reported that this company plans the sale of about \$45,000,000 of first mortgage bonds; and \$16,000,000 of preferred stock, in March. Underwriter — Expected to be Dillon Read & Co. Inc., NY. V. 220 7459, p. 66.

**TEXAS POWER & LIGHT CO. (1-28)** Nov. 18, 1975 it was reported that this utility plans the sale of about \$100,000,000 of bonds; and \$30,000,000 of preferred stock. Underwriter — Expected to be Salomon Brothers; and Goldman, Sachs & Co. NY. Offerings expected Jan. 20. V. 220 7464, p. 69.

**UNION ELECTRIC CO.** Sept. 22, 1975 it was reported that this company plans the sale of \$70,000,000 of first mortgage bonds, in June 1976. Underwriters — Expected to be Lehman Brothers Inc.; and Merrill Lynch, Pierce, Fenner & Smith Inc. V. 220 7

# The raiders - anything but tender

Continued from page 13  
 case of Microdot, which has been raided by General Cable. "Microdot has one of the greatest growth records in America," Traphagen said, "but they had a couple of down quarters early in the year. Combined with the bad stock market and bad economy, the stock went to a very low level." Subsequently, however, the company reported an improved third quarter, anticipates a strong fourth quarter and expects earnings for 1975 to be higher than full-year 1974 earnings. "It's a shame," said Traphagen, "that such a fine company should be taken over as the result of a raid because of this unfortunate combination of circumstances."

At the seminar, Levy discussed other reasons behind the vitriolic reactions management often has after its firm is raided. "Most guys just don't want to be acquired," Levy said. "They want to go their own way, run their own show. If a guy owns a lot of stock he wants to keep his own bailiwick all for himself. Often the financial terms of the tender are not the only consideration."

Levy cited the Copperweld-Imetal case, noting that "management screamed blue murder...but they were being offered \$41 a share — the stock had never been that high. But they want to run their own company, with their own people." He observed that when they got a better price — \$1.50 a share more — they made peace with Imetal and accepted the offer.

## Preventive medicine

Besides working with raided companies after the fact, Goldman, Sachs is involved with what Levy terms "preventive medicine" — advising companies how not

to get raided in the first place. Levy said that many nervous companies have come to Goldman, Sachs recently for such advice.

There are a number of means which can be used — "some of which aren't very democratic," Levy wryly observed — to prevent takeovers. A company can change its bylaws so that its directors' terms are staggered, or require an 85 per cent approval vote before a merger can take place. It can keep a list of "friendly" companies it can go to "in case some guy wants you who's not appealing," Levy said. Or it can make careful note of the anti-trust laws which would be violated by certain raids.

There are numerous theories about who the major forces are behind the recent rash of unfriendly tenders. Levy said it was possible — although he doesn't believe it happens very often — that large institutional holders of stock in a company may attempt to institute some of the unfriendly tenders. Some of them would like to sell their stock and get their money out of a company, but want to avoid huge losses if the stock is currently depressed. So they contact another firm, or their investment banker (Levy said he had been contacted by one Goldman, Sachs client who was looking for a firm to merge with a company in which his institution owned a large block of stock) and attempt to arrange a merger which will boost the worth of their holdings, allowing them to sell out with a profit.

Some high-ranking investment bankers on Wall Street also believe that a number of large investment banking firms — which obtain million-dollar fees for handling the raids — are actively scouting for weak companies which are good targets for

surprise tenders. They then search for companies who are willing to raid, which may have a desire to make an acquisition. A number of companies are said to have received a lot of calls from some of the investment bankers offering them deals. Although the investment banking houses which are actually using this method could not be named, the firms handling the majority of the unfriendly tenders include Morgan Stanley, Lazard Freres, Salomon, E.F. Hutton and Lehman Brothers.

Levy expects the rash of unfriendly mergers to continue in 1976 — "unless there's a major boom in the stock market." If stock prices rise dramatically, he pointed out, companies aren't going to be as willing to pay the high prices of acquisition. If this should happen, however, he thinks there might be more stock mergers.

Traphagen thinks that although the unfriendly tenders are "in vogue" at the moment because stocks are so depressed, "they won't be in vogue forever." He believes that the raiders will get bad reputations "and it will be more difficult for them to make friendly acquisitions, because people will be very suspicious of them."

People will not easily forget the recent actions taken by the raiders "and the next time a raider goes to make a friendly deal he's going to have a difficult time getting in the door. The companies are apt to say 'we won't talk to you,'" Traphagen concluded.

## Keep up with dividends

-- in the Chronicle

# Cyclamates can be used safely

In a majority conclusion a panel of government-appointed experts has expressed the belief that cyclamates could be safely used as an artificial sweetener.

However, a spokesman for the National Cancer Institute, which is conducting intensive studies into the possible cancer-causing threat of cyclamates at the request of the Food and Drug Administration, said the panel would seek to corroborate its preliminary findings before submitting final conclusions to the FDA, possibly early in 1976. The panel meets again next January 13 to begin formulating its final views, the spokesman said.

# Pepsico signs plant pact with Russians

Pepsico Inc. has signed an agreement with the Soviet Union to double Russia's annual production of Pepsi-Cola with a second plant to be built by next summer on the Black Sea coast.

Pepsico Chairman Donald Kendall says the new plant, at Yevpatoriya near Yalta in the Crimea, would turn out some 130,000 bottles a day, the same as a sister plant at Novorossiisk to the east where production began a year ago last summer.

The plant, fitted with American equipment but constructed and operated by the Soviets, would be paid for by sales of Vodka through Pepsico in the United States under an existing agreement which Kendall said was going well enough to finance another five or six plants in the USSR over the next two years.

# SEC 'hold' index

The following list "holds" covers securities filed with the SEC that are presently considered inactive. They were shown at their respective filing dates in previous publications, dating back from Sept. 1973. Records of other registrations are available from our library. Additional information can be obtained by calling, visiting or writing directly to us.

SECURITIES	DATE APPEARED IN CHRONICLE
American Gen. Option Investors Inc.	Nov. 12, 1973
American Open Writers Fund	Oct. 22, 1973
Automated Medical Labs, Inc.	July 8, 1974
Avant Industries Ltd.	Feb. 1, 1974
Bank Income Fund, 11st Series	Jan. 27, 1975
Bankers Trust NY Corp.	Dec. 24, 1973

CNA Money Instruments	Sept. 23, 1974
Capehart Hospital Supply Co. Inc.	Sept. 3, 1973
Caplans Oil & Gas Program	Nov. 11, 1974
Century Properties Fund X	Oct. 21, 1974
Charter Investment Co.	Nov. 24, 1973
Chrysler Fin. Corp.	March 8, 1974
Clothes-Out, Inc.	Sept. 3, 1973
Combined Fin. Services Co.	Dec. 9, 1974
Consolidated International Pictures	Sept. 5, 1973
Consolidated Products	April 24, 1974
Diversified Microwave Application	Nov. 3, 1973
Entertainment Communications Inc.	Dec. 31, 1973
Environmental Technology	Sept. 9, 1974
Extractable Resources	March 22, 1974
Fluorex Corp.	Sept. 16, 1974
Fort David Labs	Oct. 15, 1973
Geothermal Energy & Mineral Corp.	Nov. 16, 1973

Grovecompo Inc.	Oct. 21, 1974
Growth Realty Investment Ltd. Partnership	March 23, 1974
Hartman Group Second Fund, Ltd.	Nov. 10, 1973
Hydro Technology Inc.	Oct. 6, 1973
Hygienic Products Inc.	June 26, 1974
IDS Realty Trust	Nov. 25, 1974
Ireland	Dec. 2, 1974
Land-Vest Properties	Feb. 11, 1974
Last Chance Silver & Gold Min.	Nov. 4, 1974
Lexington Income Fund, Inc.	Sept. 3, 1973
Maenner-American Properties	Nov. 6, 1973
May Petroleum Program 1975	Nov. 4, 1974
Midantic Mortgage Investors	Oct. 29, 1973
Montara Petroleum Co.	Nov. 11, 1974
Nuclear Silver Corp.	Jan. 23, 1974
Oil Interest Ltd.	Oct. 6, 1973

Omnibus Group Inc.	Oct. 29, 1973
Orion Sports Centers	Sept. 9, 1974
PDFA Manual Galleria Ltd.	June 28, 1974
Pacific Cross International	Nov. 29, 1973
Philatelic Exchange Inc.	Dec. 16, 1974
Pleasure Industries Inc.	Oct. 6, 1973
Polydex Chemicals Ltd.	Nov. 10, 1973
Regan Offshore Int'l Inc.	March 8, 1974
Semi-Dyne Electronics Corp.	Dec. 10, 1973
Southwest Chemical Services Inc.	Nov. 5, 1973
Steer West Inc.	Oct. 1, 1973
Sunbank Corp.	Sept. 3, 1973
Telcoas International Corp.	Oct. 10, 1973
Titleresearch, Inc.	Sept. 3, 1973
Vista Labs Inc.	Oct. 6, 1973
Wilson Industries Inc.	July 22, 1974
Xedar Corp.	Dec. 23, 1974

# New issue calendar as of December 22, 1975

**DECEMBER 22 (MONDAY)**  
 Dibrell Brothers Inc.  
 (Wheat, First Securities Inc.) 60,000 common.  
 Southeastern Michigan Gas Co.  
 (First of Michigan Corp.) 88,236 common.

**DECEMBER 23 (TUESDAY)**  
 SBE Inc.  
 (Bateman Eichler, Hill Richards Inc.) 500,000 common.

**JANUARY 6 (TUESDAY)**  
 Baltimore & Ohio Railroad  
 (Bids to be received) \$10,050,000 certificates.  
 Vance Saunders Exchange Fund  
 (Vance Saunders & Co. Inc.) 500,000 interests.

**JANUARY 7 (WEDNESDAY)**  
 Cincinnati Gas & Electric Co.  
 (Morgan Stanley & Co. Inc.) 450,000 preferred.  
 New York State Electric & Gas Corp.  
 (Lehman Brothers Inc.) \$50,000,000 bonds.

**JANUARY 8 (THURSDAY)**  
 Indianapolis Power & Light Co.  
 (Lehman Brothers Inc.) 2,000,000 common.  
 Norfolk & Western Railway  
 (Bids at 11 a.m.) \$15,000,000 certificates.

**JANUARY 13 (TUESDAY)**  
 Chesapeake & Ohio Railway  
 (Bids at 11 a.m.) \$15,000,000 certificates.

Electricite De France  
 (Merrill Lynch, Pierce, Fenner & Smith Inc.) \$75,000,000 notes.  
 Middle South Utilities Co.  
 (Bids at 4:30 p.m.) 7,500,000 common.  
 Northern Natural Gas Co.  
 (Blyth Eastman Dillon & Co. Inc.) \$125,000,000 debentures.  
 Oklahoma Gas & Electric Co.  
 (Bids at 11 a.m.) \$55,000,000 bonds.

**JANUARY 14 (WEDNESDAY)**  
 Central Illinois Light Co.  
 (Dean Witter & Co. Inc.) 1,000,000 common.  
 City of Toronto  
 (Salomon Brothers) \$60,000,000 (20-yr) debentures.  
 City of Toronto  
 (Salomon Brothers) \$20,000,000 (10-yr) debentures.

Manitoba Hydro-Electric Board  
 (Merrill Lynch, Pierce, Fenner & Smith Inc.) \$100,000,000 bonds.  
 Santa Fe International Corp.  
 (Dean Witter & Co. Inc.) \$30,000,000 (conv.) debentures.

**JANUARY 19 (MONDAY)**  
 Greyhound Corp.  
 (Goldman, Sachs & Co.) \$100,000,000 debentures.

**JANUARY 20 (TUESDAY)**  
 Middlesex Water Co.  
 (Kidder, Peabody & Co. Inc.) 100,000 common.  
 Southern Railway  
 (Bids to be received) \$15,000,000 certificates.  
 Tax-Exempt Securities Trust, Series 5  
 (Loeb, Rhoades & Co.) \$10,000,000 units.

Texas Power & Light Co.  
 (Salomon Brothers) \$100,000,000 bonds.  
 Texas Power & Light Co.  
 (Goldman Sachs & Co.) \$30,000,000 preferred.

**JANUARY 21 (WEDNESDAY)**  
 Hackensack Water Co.  
 (First Boston Corp.) \$20,000,000 bonds.  
 Pacific Power & Light Co.  
 (Bids at noon) \$75,000,000 bonds.  
 Wisconsin Public Service Corp.  
 1,100,000 common.

**JANUARY 22 (THURSDAY)**  
 Puget Sound Power & Light Co.  
 (Merrill Lynch, Pierce, Fenner & Smith Inc.) 800,000 preferred.

**JANUARY 27 (TUESDAY)**  
 Kansas Nebraska Natural Gas Co.  
 (Merrill Lynch, Pierce, Fenner & Smith Inc.) \$20,000,000 bonds.  
 Union Pacific Trust  
 (Bids to be received) \$19,500,000 certificates.

**JANUARY 28 (WEDNESDAY)**  
 Gulf States Utilities Co.  
 (Bids at 11 a.m.) \$60,000,000 bonds.  
 Gulf States Utilities Co.  
 (Bids at 4:30 p.m.) 4,000,000 common.

**JANUARY 29 (THURSDAY)**  
 Kyoto Ceramic Co.  
 (Merrill Lynch, Pierce, Fenner & Smith Inc.) 2,000,000 common.

National Municipal Trust, 13th Series  
 (Thomson & McKinnon Auchincloss Kohlmeier Inc.) \$7,500,000 units.

**FEBRUARY 3 (TUESDAY)**  
 South Carolina Electric & Gas Co.  
 \$35,000,000 bonds.  
 South Carolina Electric & Gas Co.  
 \$21,000,000 common.

**FEBRUARY 17 (TUESDAY)**  
 Mississippi Power Co.  
 (Bids at noon) \$45,000,000 bonds.

**FEBRUARY 19 (THURSDAY)**  
 Allegheny Power System Inc.  
 (Bids at 4:30 p.m.) 3,500,000 common.  
 Public Service Co. of New Mexico  
 \$20,000,000 preferred.  
 Public Service Co. of New Mexico  
 \$18,000,000 common.

**FEBRUARY 24 (TUESDAY)**  
 New Jersey Bell Telephone Co.  
 (Bids to be received) \$100,000,000 debentures.

**FEBRUARY 25 (WEDNESDAY)**  
 Iowa Power & Light Co.  
 \$10,000,000 common.  
 Iowa Power & Light Co.  
 (Bids at 11 a.m.) \$25,000,000 bonds.  
 Philadelphia Electric Co.  
 \$100,000,000 debt securities.

**MARCH 10 (WEDNESDAY)**  
 Union Electric Co.  
 (Lehman Brothers Inc.) \$35,000,000 preferred.

**MARCH 16 (TUESDAY)**  
 Southwestern Bell Telephone Co.  
 \$300,000,000 debt securities.

**APRIL 20 (TUESDAY)**  
 Central Illinois Light Co.  
 (Bids at 11 a.m.) \$40,000,000 bonds.

# SEC will press for national market, Reg. A review

Continued from page 16

just as obviously does not answer all questions. We can only say that the data received during the first four months indicates that, although commissions paid by institutions declined after May 1, 1975, the overall financial condition of broker-dealers remained sound, and there was no noticeable impact on self-regulatory organizations, securities market places, or "market quality."

Let me illustrate the legitimate questions which are still unanswered.

It has become apparent that substantial differences exist between rates being paid by individual and institutional investors for the execution of securities transactions of similar size. That development could well reflect the free play of competitive forces and the differences in services provided to institutions and individuals, and the costs incurred in providing those services. Some argue, however, that it reflects excessive market power on the part of institutions or uninformed or unjustified price leadership on the part of certain brokers.

Second, certain broker-dealers, particularly those performing brokerage functions for, and offering research services to, institutional investors, have experienced sharply reduced levels of revenue and net income. A few such firms have elected to merge, others have term-

inated, and still others appear to have experienced substantial personnel losses. These developments may indicate that there will be a restructuring of the investment community to meet investor needs; or, we may be seeing a first glimpse of a possible and unfortunate reduction in much-needed services. If so, this trend could be accelerated if institutional investors do not understand their right to pay commissions for research services, notwithstanding the so-called "paying up" provisions of Section 28(e) of the Securities Exchange Act. In fact, we may find that the truth lies somewhere between these two extremes.

Third, during the period covered by the report, securities trading volume was high, and securities prices were generally rising in relation to levels which prevailed in 1973 and 1974 — events which have a positive influence on brokerage industry revenues. To this extent, our first report may be of little relevance to the longer-range trends.

All of this means that we are still in the process of framing the questions, and far more information is needed. We will produce another monitoring report as soon as possible after the first of the year, and we will produce further reports on a timely basis.

Given the nature of the tasks ahead, a major reorganization and strengthening of

the Commission's capacity for economic research is needed. We must secure a more adequate data base for practically all of our work. For example, serious economists and analysts have doubted the effectiveness of our disclosure effort.

However valid their point may be, proper economic models will produce a more efficient and less burdensome disclosure policy. My hope is that preliminary work will soon justify a major project to reassess these programs.

## Honeywell says ACA eliminates midair collisions of airliners

Honeywell, Inc. reports that its Airborne Collision Avoidance System, which it contends would virtually eliminate the possibility of midair collisions, has completed a series of favorable independent valuations. The unit, it is believed, could be available for installations within a year to 18 months.

Honeywell feels the collision avoidance system would function as an independent backup to the existing air traffic control system. ACAS, together with similar systems of two other manufacturers, has been undergoing Federal Aviation Agency-sponsored test for more than three years. Although results have not been formally announced, the company says it has been informed that its "avoid" system has been judged the best of the three.

The cost of the Honeywell system, including installation, would be about \$10,000 in a commercial airliner and less than \$1,200 in low-performance general aviation planes, according to the manufacturer. Honeywell estimates that all commercial airliners in the U. S. could be equipped with its "avoid" (for avionic observation of intruder danger) for about \$30 million.

## Foreign exchange rates

are kept up to date

in the Chronicle

-- every week

### Major Issues offered last week

CORPORATES						
Issuer	Amt. (000,000)	Coupon (per cent)	Mat.	Off'g Date	Rtgs	Yield (per cent)
Alabama Power	100	10.50	2005	12-17	A	10.50
American Express	50	8.50	1980	12-18	A	8.50
Avco Fin. Ser.	50	9.75	1983	12-17	A	9.75
Carter Hawley	60	9.45	2000	12-17	A	9.45
Central Tel.	20	9.625	2000	12-18	Aa	9.625
European C&SC	125	8.875	1980	12-17	Aaa	8.875
Int'l Paper	150	8.85	2000	12-16	Aa	8.85
Ottawa Carleton	30	9.375	1996	12-17	Aaa	9.43
Ottawa Carleton	20	var.	1977-84	12-17	Aaa	7.50-9.00
Textron Inc.	75	8.50	1980	12-16	A	8.50
Union Tank Car	32.8	9.50	1995	12-16	A	9.50
Union Tank Car	7.2	var.	1979-81	12-16	A	8.40-8.60

GOVERNMENTS						
Issuer	Amt. (000,000)	Coupon	Mat.	Off'g Date	Rtgs	Yield
Banks for Coops	588.7	6.25	7-1-76	12-17	AAA	6.25
F.I.C.B.	897.7	6.55	10-4-76	12-17	AAA	6.55
F.I.C.B.	434.4	7.90	1-15-81	12-17	AAA	7.90

MUNICIPALS						
Issuer	Amt. (000,000)	Mat.	Off'g Date	Rtgs	Yield	Call Features
Georgia	8.150	1977-96	12-17	Aaa	3.60-6.30	
Kaiser Alum.	25	1985-2000	12-16	Baa	7.40-8.90	
Lake Worth, FL	9	1979-2002	12-17	A	5.00-7.00	
Virginia Beach, VA	19.550	1976-95	12-16	Aa	3.75-7.05	
Wayne County, MI	19.225	1977-2002	12-15	A	4.75-8.00	

### Tax-exempt dollar bonds

The following is a representative list of long-term dollar-quoted municipal revenue bonds, with bid prices for the latest week, the previous week, and the net changes.

Issue	Bid Dec. 10	Bid Dec. 17	Net Change
Bat. Park City 6 <sup>3</sup> / <sub>8</sub> -14	49	48	-1
Chelan Co. PUD 5-13	74	74	—
Chicago O'Hare Airport 4 <sup>3</sup> / <sub>4</sub> -99	86 <sup>1</sup> / <sub>2</sub>	87	+ <sup>1</sup> / <sub>2</sub>
Dallas Ft. Worth 6 <sup>1</sup> / <sub>4</sub> -02	76	76 <sup>1</sup> / <sub>2</sub>	+ <sup>1</sup> / <sub>2</sub>
Delaware River PA 6-10	76	76	—
Delaware River 6 <sup>1</sup> / <sub>2</sub> -11	80	80	—
Florida Turnpike 4 <sup>3</sup> / <sub>4</sub> -01	74 <sup>1</sup> / <sub>2</sub>	74 <sup>1</sup> / <sub>2</sub>	—
Kentucky Turnpike 6 <sup>1</sup> / <sub>8</sub> -08	79	79	—
Mass Tpk. 3.30-94	72	71	-1
NJ Turnpike Auth. 5.70-13	74 <sup>1</sup> / <sub>2</sub>	74	- <sup>1</sup> / <sub>2</sub>
NJ Turnpike Auth. 7-09	109	109	—
NYS Power Authority 5 <sup>3</sup> / <sub>8</sub> -10	71 <sup>1</sup> / <sub>2</sub>	70	-1 <sup>1</sup> / <sub>2</sub>
NYS Urban Dev. 7-14	51	48	-3
Port NY Auth. 5 <sup>1</sup> / <sub>2</sub> -08	66	66	—
Port of NY Auth. 6-08	72 <sup>1</sup> / <sub>2</sub>	72	- <sup>1</sup> / <sub>2</sub>
NY MAC 9-85	79	78	-1
NY MAC 9 <sup>1</sup> / <sub>4</sub> -90	78 <sup>1</sup> / <sub>2</sub>	77	-1 <sup>1</sup> / <sub>2</sub>
NY MAC 11-83	99	98 <sup>1</sup> / <sub>2</sub>	- <sup>1</sup> / <sub>2</sub>

## New Issue Bonds

Issue	Type	Amount	Date Due	Call Features	Ratings	Syn. Manager	Coupon (Percent)	Date of Off'g.	Off'g. Yield	Mkt. Yield (Ask) 12-18
Alabama Bancorp	Notes	\$ 35,000,000	7-1-84	N-C 1-1-83	AA(S&P)AAA(F)	FB	9.50	12-11	9.50	9.39
Alabama Power Co.	Bonds	\$100,000,000	12-1-2005	N-C 12-1-80	AM(F)A-(S&P)	SB	10.50	12-17	10.50	10.50
American Express Cr.	Notes	\$ 50,000,000	12-15-85	N-C 12-15-83	A(M)AA(S&P)(F)	SB	8.50	12-18	8.50	8.50
Appalachian Power Co.	Bonds	\$ 60,000,000	12-1-84	N-C 12-1-80	Baa(M)BBB(S&P)(F)	ML	10.50	12-2	10.50	10.38
Arizona Public Service	Bonds	\$ 75,000,000	12-1-2000	N-C 12-1-85	A(F)A-(S&P)Baa(M)	FB	10.625	11-20	10.70	10.59
Avco Fin. Services	Notes	\$ 50,000,000	12-15-83	N-C 12-15-82	A(M)(S&P)	SB	9.75	12-17	9.75	9.75
Carter Hawley Hale	Debs	\$ 60,000,000	2000	N-C 12-15-85	A(M)(S&P)	MS	9.45	12-17	9.45	9.45
Chesapeake & Potomac Tel.	Debs	\$100,000,000	12-15-2015	N-C 12-15-80	Aaa(M)AAA(S&P)	FB	9.25	12-9	9.35	9.08
Columbia Gas System	Debs	\$ 75,000,000	11-1-85	N-C 11-1-85	A(M)(S&P)	ML	10.125	11-9	10.15	10.07
Commonwealth Edison	Bonds	\$125,000,000	5-15-2004	N-C 11-15-80	Aaa(M)AAA(S&P)	MS	9.375	11-17	9.375	9.25
Detroit Edison Co.	Bonds	\$ 50,000,000	12-15-2000	N-C 12-15-85	Baa(M)BBB(S&P)	MS	11.875	12-10	11.875	11.75
European C&S Community	Notes	\$125,000,000	12-15-80	N-C 6-15-80	Aaa(M)AAA(S&P)	KL	8.875	12-7	8.875	8.875
Gen. Motors Acceptance	Notes	\$100,000,000	11-15-85	N-C 11-15-82	A(M)(S&P)	KL	8.875	11-13	8.625	8.80
Gen. Tel. of the Southwest	Bonds	\$ 45,000,000	12-1-2005	N-C 12-1-80	A(M)(S&P)	BED	9.875	12-10	9.95	9.69
Georgia Power Co.	Bonds	\$100,000,000	12-1-2005	N-C 12-1-80	Baa(M)BBB(S&P)	MS	11.75	11-24	11.75	11.55
Hudson Bay M&S	Debs	\$ 50,000,000	12-1-95	N-C 12-1-85	A(M)(S&P)	FB	10.50	12-9	10.50	10.30
Hydro-Quebec	Debs	\$250,000,000	12-1-2005	N-C 12-1-90	Aa(M)AA(S&P)	FB	10.00	11-20	11.00	9.85
Indiana of Michigan Pwr.	Bonds	\$ 75,000,000	12-1-84	N-C 12-1-80	Baa(M)BBB(S&P)(F)	FB	10.875	12-11	10.70	10.60
International Pwper	Debs	\$ 50,000,000	12-15-2000	N-C 12-15-85	Aa(M)AA-(S&P)	FB	8.85	12-16	8.85	8.70
Matsushita Electric	Bonds	\$100,000,000	11-20-90	N-C 11-20-78	Aa(M)AA(S&P)	ML	6.75	11-19	6.75	6.75
Montana Power	Bonds	\$ 65,000,000	12-1-2005	N-C 12-1-80	Aa(M)AA(S&P)	KP	9.70	12-10	9.70	9.40
Ottawa-Carleton	Debs	\$ 30,000,000	11-1-96	—	Aaa(M)AA(S&P)	ML	9.375	12-17	9.43	9.43
Penn Power & Light Co.	Bonds	\$100,000,000	11-1-2005	N-C 11-1-85	Aa(M)A+(S&P)	MS	9.75	11-18	9.75	9.55
Phillips Petroleum	Debs	\$250,000,000	11-15-2000	N-C 11-15-85	Aa(M)AA(S&P)	FB	8.875	11-13	8.875	8.70
Portland Gen. Electric	Bonds	\$ 50,000,000	12-1-2005	N-C 12-1-80	Baa(M)BBB(S&P)	BED	11.625	12-11	11.685	11.57
Sperry Rand	Debs	\$150,000,000	12-15-2000	—	Baa(M)BBB(S&P)	BED	6.00	12-10	6.00	6.00
Texas Gulf Inc.	Debs	\$125,000,000	12-15-2000	N-C 12-15-85	A(M)AA(S&P)	MS	9.375	12-11	9.375	9.15
Textron Inc.	Notes	\$ 75,000,000	12-15-80	N-C 12-15-80	A(M)(S&P)	LB	8.50	12-16	8.50	8.50
Utah Power & Light	Bonds	\$ 60,000,000	11-1-2005	N-C 11-1-80	A(M)(S&P)	KP	10.25	11-19	10.20	10.05
World Bank	Notes	\$250,000,000	12-15-80	N-C 12-15-80	Aa(M)AAA(S&P)(F)	MS	8.35	12-10	8.35	8.30
World Bank	Notes	\$250,000,000	12-15-85	N-C 12-15-85	Aaa(M)AAA(S&P)(F)	MS	8.85	12-10	8.85	8.67
World Bank	Bonds	\$250,000,000	12-15-2000	N-C 12-15-88	Aaa(M)AAA(S&P)(F)	MS	9.35	12-10	9.35	9.25

N-C — Not Callable

# Statistical Section

## Dow Jones Closing Stock Averages

	30 Industrials		20 Transportation		15 Utilities		65 Composite	
	Close	Change	Close	Change	Close	Change	Close	Change
Dec. 15 ..	836.99	Up 3.78	164.54	Up 0.24	81.13	Up 0.13	254.58	Up 0.68
Dec. 16 ..	844.30	Up 7.71	165.32	Up 0.98	81.35	Up 0.22	256.49	Up 1.91
Dec. 17 ..	846.27	Up 1.97	166.09	Up 0.57	81.32	Dn 0.03	257.05	Up 0.56
Dec. 18 ..	852.09	Up 5.82	167.81	Up 1.72	81.42	Up 0.10	258.82	Up 1.77
Dec. 19 ..	844.38	Dn 7.71	186.95	Dn 0.85	81.16	Dn 0.26	256.93	Dn 1.89

## NASDAQ Daily Closing OTC Indices

	Composite 2294	Industrial 1732	Bank 92	Insurance 141	Other Finance 379	Transportation 64	Utility 104
Dec. 15	74.54	77.83	70.11	78.47	75.04	83.59	64.50
Dec. 16	75.19	78.47	70.44	78.77	76.10	83.37	64.75
Dec. 17	75.80	78.92	70.89	78.99	77.24	83.87	65.05
Dec. 18	76.07	77.46	71.49	74.85	74.06	84.37	65.23
Dec. 19	75.92	79.23	71.57	78.69	77.11	84.14	65.08

## New York Stock Exchange Volume/ Daily, Weekly, Yearly

	Stocks	Warrants	Bonds
Mon. Dec. 15	13,956,860	55,600	\$19,327,000
Tues. Dec. 16	18,353,180	121,500	21,672,000
Wed. Dec. 17	16,556,800	99,100	21,857,000
Thurs. Dec. 18	18,038,660	53,900	23,018,000
Fri. Dec. 19	17,720,090	80,900	19,552,000
<b>Total</b>	<b>84,425,390</b>	<b>371,000</b>	<b>\$405,426,000</b>

	Stocks	Warrants	Total All Bonds
Week ending Dec. 19			
1975	84,425,390	\$371,000	\$105,426,000
1974	82,032,270	785,900	\$96,696,000
Jan. 1 to Dec. 19			
1975	4,589,096,000	78,246,900	\$5,047,744,500
1974	3,425,885,332	30,279,000	\$3,944,656,400

## American Stock Exchange Volume/ Daily, Weekly, Yearly

	Stocks	Bonds
Mon. Dec. 15	1,725,435	\$ 1,026,000
Tues. Dec. 16	2,126,970	915,000
Wed. Dec. 17	1,999,035	899,000
Thurs. Dec. 18	2,034,175	932,000
Fri. Dec. 19	2,139,360	807,000
<b>Total</b>	<b>10,024,975</b>	<b>\$4,059,000</b>

	Stocks	Bonds
Week ending Dec. 19		
1975	10,024,975	\$4,057,900
1974	11,979,530	5,224,000
Jan. 1 to Dec. 19		
1975	524,916,680	\$252,000,000
1974	464,908,127	250,877,000

## American Stock Exchange Index System

	High	Low	Last	Net change
Dec. 15	81.99	81.76	81.90	Dn 0.02
Dec. 16	82.31	81.87	82.31	Up 0.41
Dec. 17	82.84	82.71	82.77	Up 0.46
Dec. 18	82.94	82.75	82.84	Up 0.07
Dec. 19	82.96	82.34	82.43	Dn 0.41

## Dow Jones Closing Stock Averages

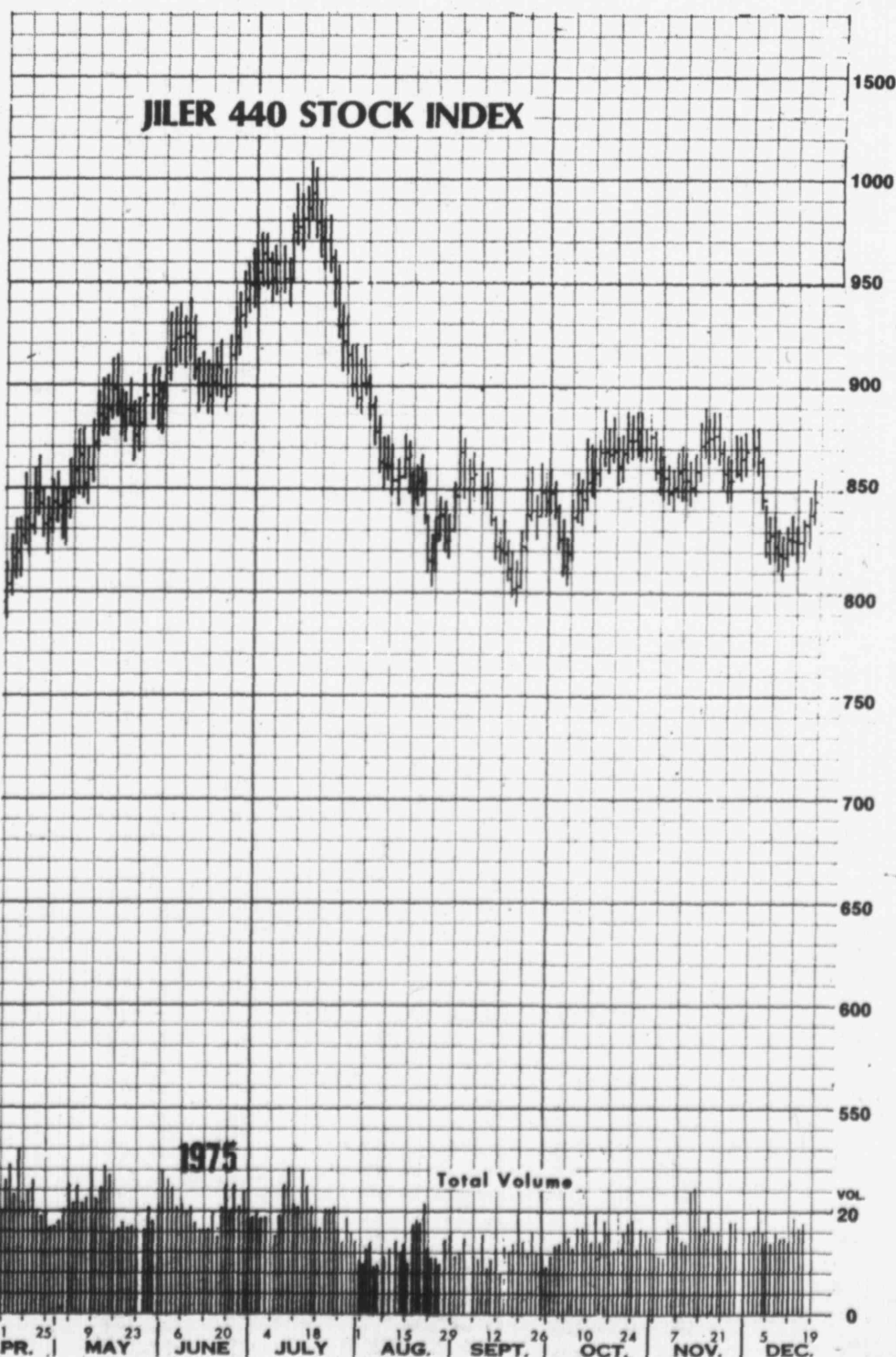
	Dec. 1975	High and Date	Low and Date
Monthly	Industrials	856.34 Dec. 1	818.80 Dec. 5
	Transportation	169.49 Dec. 1	162.53 Dec. 9
	Utilities	82.89 Dec. 1	80.65 Dec. 8
	Composite	266.80 Dec. 1	250.83 Dec. 5
Year 1975			
Yearly	Industrials	881.81 July 15	632.04 Jan. 2
	Transportation	174.57 Nov. 17	146.67 Jan. 2
	Utilities	87.07 Jun 24	72.02 Jan. 2
	Composite	260.80 Dec. 1	205.32 Jan. 2

## Standard & Poor's Closing Stock Averages

	Dec. 1975	High and Date	Low and Date
Monthly	Industrials	101.55 Dec. 1	97.13 Dec. 9
	Rails	37.56 Dec. 1	36.11 Dec. 9
	Utilities	44.15 Dec. 1	42.53 Dec. 9
	Total (500)	90.57 Dec. 1	86.82 Dec. 5
Yearly			
Yearly	Industrials	107.40 July 15	77.71 Jan. 8
	Rails	40.18 May 5	34.02 Sep 16
	Utilities	45.61 June 24	35.31 Jan. 2
	Total (500)	95.61 July 15	70.04 Jan. 8

## NQB Over The Counter Stock Averages

	Industrials 35 Stocks	Insurance 15 Stocks
Dec. 15	370.45	74.13
Dec. 16	368.16	73.24
Dec. 17	369.55	74.28
Dec. 18	370.28	74.60
Dec. 19	372.62	74.10



## Standard & Poor's Closing Stock Averages

	Industrials 425 Issues		Rails 15		Utilities 60		Total 500	
	Close	Change	Close	Change	Close	Change	Close	Change
Dec. 15	98.44	Up 0.31	36.70	Up 0.05	42.89	Up 0.05	88.09	Up 0.26
Dec. 16	99.43	Up 0.99	37.03	Up 0.33	43.07	Up 0.18	88.93	Up 0.84
Dec. 17	99.88	Up 0.25	37.04	Up 0.01	43.17	Up 0.10	89.15	Up 0.22
Dec. 18	100.18	Up 0.30	37.42	Up 0.38	43.31	Up 0.14	89.43	Up 0.28
Dec. 19	99.43	Dn 0.75	37.26	Dn 0.16	43.27	Dn 0.04	88.80	Dn 0.03

## Dow Jones Closing Bond Averages

	10 Indus.	10 First Grade Rails	10 Second Grade Rails	10 Utilities	Total 40 Bonds
Dec. 15	77.28	48.69	61.60	85.08	68.16
Dec. 16	77.42	48.55	61.61	85.28	68.21
Dec. 17	77.53	48.57	61.70	85.58	68.34
Dec. 18	77.71	48.56	61.50	85.76	68.38
Dec. 19	77.97	48.73	61.35	85.61	68.41

## New York Stock Exchange Common Stock Indices

	Dec. 15	Dec. 16	Dec. 17	Dec. 18	Dec. 19
<b>Composite</b>					
High	46.41	46.89	47.01	47.16	47.07
Low	46.26	46.54	46.87	46.99	46.82
Close	46.38	46.84	46.97	47.13	46.82
<b>Industrial</b>					
High	51.48	52.06	52.21	52.37	52.17
Low	51.37	51.69	52.04	52.18	51.93
Close	51.47	52.00	52.16	52.31	51.93
<b>Transportation</b>					
High	31.03	31.35	31.45	31.72	31.80
Low	30.96	31.12	31.33	31.52	31.59
Close	31.03	31.35	31.45	31.72	31.59
<b>Utility</b>					
High	32.64	32.87	32.85	32.94	32.91
Low	32.47	32.73	32.73	32.83	32.80
Close	32.64	32.81	32.77	32.94	32.80
<b>Finance</b>					
High	42.96	43.46	43.70	44.07	44.01
Low	42.77	42.99	43.57	43.79	43.84
Close	42.84	43.46	43.70	44.97	43.84

This index was devised by William Jiler, president of Commodity Research Bureau, Inc., as a realistic and sensitive measure of stock market movements. It is an un-weighted index of more than 440 of the most active issues on leading exchanges as well as some over-the-counter stocks. These issues normally account for more than 50 per cent of NYSE volume and more than 25 per cent of Amex volume. When devised, the index was exactly aligned with the Dow Jones Industrial Average. This index takes into account all activity through December 11.

Dividends

A tabulation of dividend announcements all declared during the past week.

\*Paid in Canadian funds R-Revised Announced

Main table with columns: Name of Company, Per Share, Date Payable, Date of Record, Name of Company, Per Share, Date Payable, Date of Record. Contains hundreds of entries for various companies.



# CHICAGO BOARD OPTIONS EXCHANGE

Since Issued		Rate	Open	WEEKLY		Current	Premium	Since Issued		Rate	Open	WEEKLY		Current	Premium
HIGH	LOW	(100's)	INT.	HIGH	LOW	Stock Price	Over Conversion	HIGH	LOW	(100's)	INT.	HIGH	LOW	Stock Price	Over Conversion
<b>CHICAGO BOARD OF OPTIONS</b>															
<b>ALUMINUM CO OF AMER</b>															
4 3/4	1 5/16	JAN 35	141	256	4 5/8	1 5/8	4 1/8	+ 2 1/2	38 1/4	2 3/8					
3 1/2	1 1/8	JAN 40	410	403	1 7/8	1 1/8	11/16	+ 1/2	38 1/4	6 3/4					
8 1/4	1 1/16	JAN 45	48	434	1 1/8	1 1/8	1/8	+ 1/16	38 1/4	18 0/0					
5 1/16	2 3/4	JAN 50	2	227	1 1/16	1 1/16	1/8	+ 1/16	38 1/4	30 3/4					
5 5/8	2 3/4	MAY 25	136	223	2 3/8	3 3/8	5	+ 1 1/2	38 1/4	4 3/4					
5	1 3/16	APR 40	200	707	2 1/2	1 1/2	2 5/16	+ 13/16	38 1/4	10 3/4					
4 3/4	5/16	APR 45	89	177	11/16	5/16	5/8	+ 3/16	38 1/4	19 3/4					
1 7/8	1/8	APR 50	3	253	1/8	1/8	1/8	+ 1/16	38 1/4	31 0/0					
6 1/8	3 7/8	JUL 35	50	141	6 1/8	4 3/8	5 3/4	+ 1 3/4	38 1/4	6 5/8					
3 1/2	1 7/8	JUL 40	126	195	3 3/8	2	3	+ 3/4	38 1/4	12 0/0					
<b>AMERADA MESS CORP</b>															
3 5/8	7/8	FEB 15	44	136	1 3/8	7/8	1 3/8	--	15 5/8	4 3/4					
1 1/2	1/4	FEB 20	4	341	1 1/2	1/4	1/4	--	15 5/8	29 3/4					
3 1/2	1 1/2	MAY 15	26	246	2 1/2	1 3/4	2 1/4	+ 1/8	15 5/8	8 3/8					
1 1/2	9/16	MAY 20	13	309	13/16	9/16	1 3/4	+ 1/8	15 5/8	32 3/8					
2 1/8	2 1/8	AUG 15	46	129	2 3/8	2 1/8	2 3/8	+ 1/8	15 5/8	11 3/4					
1 1/4	13/16	AUG 20	9	45	1	13/16	1	--	15 5/8	34 3/4					
<b>AMERICAN ELEC PWR INC</b>															
6 7/8	3	FEB 15	46	355	6	5 5/8	5 5/8	+ 1/8	20 5/8	0					
2 5/8	1 1/2	FEB 20	1451	9936	1 3/16	1 1/2	1 1/2	+ 1/8	20 5/8	1 3/4					
6 5/8	3 5/8	MAY 15	7	204	6	6	6	+ 1/8	20 5/8	1 3/4					
1 15/16	6 1/2	MAY 20	595	5719	6 3/4	6 1/2	6 7/8	+ 1/16	20 5/8	2 1/4					
2 1/4	6	AUG 15	2	2	2	2	2	--	20 5/8	1 3/4					
2 1/4	1 1/16	AUG 20	318	719	1 3/4	1 1/16	1 1/4	+ 7/16	20 5/8	3 0/0					
<b>AMERICAN HOSP SUPPLY CORP</b>															
8 3/4	5	FEB 25	21	57	4	5	6	+ 1/2	30 5/8	1 1/2					
8 1/4	1 1/8	FEB 30	121	453	1 7/8	1 1/4	1 3/4	+ 1/2	30 5/8	3 7/8					
8 1/4	5 3/4	MAY 25	4	5	6 1/4	5 3/4	6 1/4	+ 1/4	30 5/8	2 0/0					
3 1/8	2 1/4	MAY 30	9	142	2 1/4	2 1/4	2 3/4	+ 1/2	30 5/8	6 3/4					
3 5/8	3 1/4	AUG 30	1	13	3 1/2	3 1/2	3 1/2	--	30 5/8	9 3/4					
3 5/8	1 3/8	AUG 35	25	26	1 7/8	1 3/4	1 7/8	+ 1/4	30 5/8	20 3/4					
<b>AMERICAN TEL &amp; TELEG CO</b>															
9 1/8	7 1/16	JAN 45	708	1246	6	5	5 1/2	+ 1/2	50 1/2	1 0/0					
5 3/8	7 1/16	JAN 50	2342	15398	1 3/8	11/16	1	+ 1/4	50 1/2	1 0/0					
6 3/8	2 3/8	APR 45	488	1789	6 1/8	5 3/8	5 5/8	+ 3/8	50 1/2	2 2/2					
2 7/8	13/16	APR 50	1326	7353	1 7/8	1 5/8	1 5/8	+ 3/16	50 1/2	1 7/8					
6 3/4	2 3/4	JUL 45	6	230	6 3/4	6 3/4	6 3/4	+ 1/2	50 1/2	1 7/8					
2 13/16	1 5/8	JUL 50	458	2035	2 7/16	1 7/8	2 1/16	--	50 1/2	3 1/4					
<b>AMP INC</b>															
5 1/2	3	FEB 25	2	73	3 7/8	3 7/8	3 7/8	+ 1/2	26 7/8	7 3/4					
1 1/4	15/16	FEB 30	11	113	1	15/16	15/16	+ 1/2	26 7/8	15 1/4					
4 1/4	1 1/4	MAY 25	8	31	5 1/4	4 1/4	4 1/4	+ 1/2	26 7/8	8 3/8					
4 1/4	2 1/8	MAY 30	4	68	2 1/8	2 1/8	2 1/8	+ 1/16	26 7/8	20 0/0					
2 3/4	2 3/4	AUG 30	2	0	2 3/4	2 3/4	2 3/4	--	26 7/8	21 3/4					
<b>ATLANTIC RICHFIELD CO</b>															
22 1/2	3 1/2	JAN 90	405	1275	2 7/8	2	2 1/2	+ 1/4	89 5/8	3 1/2					
14 1/2	3 1/2	JAN 100	144	2201	3/16	3/16	3/16	+ 1/16	89 5/8	11 3/8					
15 1/4	5 1/8	APR 90	134	405	5 1/8	5 1/8	5 1/2	+ 1/4	89 5/8	6 3/4					
13 1/2	1 7/8	APR 100	140	787	1 7/8	1 7/8	1 7/8	--	89 5/8	13 3/4					
8 3/4	3 1/2	JUL 90	99	184	8 1/2	7 3/4	8	--	89 5/8	9 3/4					
8 3/4	3 1/2	JUL 100	65	289	3 1/2	3 1/2	3 1/2	+ 3/8	89 5/8	15 5/8					
<b>AVON PRODS INC</b>															
11 1/2	9 1/16	JAN 35	2977	3258	9 1/16	11 1/16	11 1/16	+ 11 1/16	31 1/2	13 3/4					
6 7/8	1 1/16	JAN 40	4927	4948	7 1/8	1 1/16	1 1/16	- 7/16	31 1/2	27 3/4					
11 3/8	1 1/16	JAN 45	602	675	3/16	1 1/16	1 1/16	- 1/8	31 1/2	43 1/4					
8 7/8	1 1/16	JAN 50	80	4779	1 1/16	1 1/16	1 1/16	--	31 1/2	58 3/4					
8 3/8	2 7/8	APR 35	2746	2907	2 7/8	2 3/16	2 3/16	+ 2 3/16	31 1/2	18 1/4					
8 3/8	2 7/8	APR 40	2746	2907	2 7/8	2 3/16	2 3/16	+ 2 3/16	31 1/2	18 1/4					
7 7/8	7 1/16	APR 45	1612	4636	1 5/16	7/16	3/16	- 5/8	31 1/2	44 3/4					
4 3/4	3 1/16	APR 50	587	3095	1 1/2	3/16	3/16	+ 5/16	31 1/2	59 3/4					
6 1/4	3	JUL 35	922	540	6 1/4	3 1/8	3 1/8	+ 2 1/2	31 1/2	21 0/0					
4 1/2	1 7/8	JUL 40	1002	1230	3 7/8	1 3/8	1 3/8	+ 1 1/2	31 1/2	21 0/0					
6 1/8	7 1/8	JUL 45	755	1816	2 1/4	7/8	7/8	- 1 3/16	31 1/2	45 5/8					
<b>BAXTER LABS INC</b>															
8 3/4	4 7/8	FEB 35	44	101	7 1/4	5 1/4	7	+ 1 1/2	42	2 3/4					
8 3/4	1	FEB 40	220	573	3 1/4	2 1/8	2 1/8	+ 3/4	42	2 3/4					
9 3/4	1 1/2	FEB 45	119	485	3/4	1/2	3/4	--	42	8 3/4					
7	1 1/2	FEB 50	1	210	1 1/16	1 1/16	1 1/16	--	42	19 3/4					
10 1/8	5 7/8	MAY 35	5	31	7 3/4	7 3/4	7 3/4	+ 1 7/8	42	1 8/8					
6 1/4	1 3/4	MAY 40	68	163	4 3/4	4 3/4	4 3/4	+ 3/4	42	1 8/8					
3 1/2	1 1/4	MAY 45	62	161	1 3/4	1 1/4	1 5/8	+ 1/8	42	11 0/0					
4 7/8	4 1/2	AUG 40	17	21	5 1/4	4 1/2	5 1/4	+ 1/2	42	7 7/8					
<b>BETHLEHEM STL CORP</b>															
4 5/8	1 1/2	JAN 30	418	453	3 5/8	2 1/4	2 1/4	+ 3/4	33	4 0/0					
4 5/8	3 1/16	JAN 35	518	4948	1 1/2	1 1/4	1 1/4	--	33	6 3/4					
4 5/8	1 1/16	JAN 40	89	4619	1 1/16	1 1/16	1 1/16	--	33	21 3/4					
6 3/4	2 1/4	APR 30	216	516	4 1/4	3 5/8	4 1/2	+ 1/2	33	9 1/4					
6 3/8	7/8	APR 35	607	2787	1 5/16	1 1/4	1 1/4	- 1/16	33	1 1/4					
4 3/4	3 1/16	APR 40	79	2123	3 1/16	3 1/16	3 1/16	--	33	22 0/0					
5 1/4	2 3/4	JUL 30	158	450	4 5/8	3 3/4	4 1/8	+ 3/8	33	3 3/4					
4 1/8	1 3/8	JUL 35	185	1390	1 15/16	1 5/8	1 11/16	+ 1/16	33	11 3/4					
1 7/8	1 1/2	JUL 40	101	599	5/8	1 1/2	1 1/2	- 1/8	33	22 7/8					
<b>BLACK &amp; DECKER MFG CO</b>															
4 3/4	2	FEB 20	82	231	4 1/2	3 3/8	3 3/8	+ 1/4	23	1 6/8					
4 1/2	1 1/8	FEB 25	223	1362	1 1/8	1 1/8	3/4	--	23	12 0/0					
4 1/2	1 1/16	FEB 30	33	527	5 1/8	1 1/16	1 1/16	- 1/16	23	30 7/8					
5 7/8	2 3/4	MAY 20	79	275	5 7/8	3 3/4	3 3/4	+ 1/2	23	3 3/4					
4 1/2	1 1/4	MAY 25	141	1117	2	1 5/8	1 5/8	- 1/16	23	16 3/4					
3	1 1/4	MAY 30	89	453	5/8	5/8	5/8	--	23	33 3/4					
5 5/8	3 1/2	AUG 20	59	85	5 5/8	5 1/8	5 1/8	+ 1/4	23	9 3/4					
2 7/8	1 5/8	AUG 25	62	158</											



# U.S. Gov't Securities & Agencies

Values are as of Friday, December 19, 1975

## Federal National Mortgage Association Debentures

Rate-maturity	Bid	Ask	Yield to maturity
5.650X 03/10/1976	99 3/4	100	5.56
7.125X 03/10/1976	100.06	100.31	5.61
5.850X 06/10/1976	99 1/2	99 7/8	6.11
6.700X 06/10/1976	99 7/8	100 1/4	6.15
10.000X 06/10/1976	101 3/8	101 3/4	6.19
5.850X 09/10/1976	99 1/8	99 5/8	6.37
6.125X 09/10/1976	99 3/8	99 7/8	6.29
7.500X 09/10/1976	100 3/8	100 7/8	6.23
6.250X 12/10/1976	99 1/8	99 5/8	6.65
7.450X 12/10/1976	100 1/4	100 3/4	6.64
8.450X 12/10/1976	101 1/8	101 5/8	6.70
4.500X 02/10/1977	96 3/4	97 1/2	6.81
6.300X 03/10/1977	98 3/4	99 1/4	6.94
7.050X 03/10/1977	99 5/8	100 1/8	6.93
8.300X 03/10/1977	101	101 1/2	6.99
6.375X 06/10/1977	98 5/8	99 1/8	7.01
6.500X 06/10/1977	98 3/4	99 1/4	7.04
7.200X 06/10/1977	99 3/4	100 1/4	7.02
6.875X 09/12/1977	99	99 1/2	7.18
7.375X 09/12/1977	100 1/8	100 1/4	7.21
7.850X 09/12/1977	100 1/2	101	7.21
7.250X 12/12/1977	99 1/2	100	7.27
7.550X 12/12/1977	100	100 1/2	7.27
6.700X 03/10/1978	98 1/8	98 5/8	7.37
8.450X 03/10/1978	101 5/8	102 1/8	7.39
7.150X 06/12/1978	98 7/8	99 3/8	7.43
7.450X 06/12/1978	99 5/8	100 1/8	7.39
7.150X 09/11/1978	98 1/2	99	7.66
6.750X 12/11/1978	97 1/4	97 3/4	7.61
8.950X 12/11/1978	102 3/4	103 1/4	7.71
7.250X 03/12/1979	98	98 1/2	7.74
7.850X 06/11/1979	99 5/8	100 1/8	7.81
9.800X 06/11/1979	105	106	7.80
6.400X 09/10/1979	95	95 1/2	7.81
7.800X 09/10/1979	99 1/2	100	7.79
8.500X 10/10/1979	101 3/4	102 1/4	7.80
6.550X 12/10/1979	95 1/4	95 3/4	7.81
7.750X 12/10/1979	99 1/8	99 5/8	7.86
6.875X 03/10/1980	95 3/8	96 3/8	7.90
7.250X 03/10/1980	97 1/4	97 3/4	7.88
7.625X 04/10/1980	97 7/8	98 7/8	7.94
8.500X 06/10/1980	101 5/8	102 1/8	7.93
7.500X 09/10/1980	97 1/2	98 1/2	7.88
8.750X 09/10/1980	102 1/2	103	7.97
6.600X 12/10/1980	93 1/2	94 1/2	7.96
8.000X 12/10/1980	100 1/8	100 1/4	7.94
7.050X 03/10/1981	95 1/8	96 1/8	7.97
7.250X 06/10/1981	96	97	7.94
7.250X 09/10/1981	95 7/8	96 7/8	7.94
9.700X 09/10/1981	106	107	8.14
7.300X 12/10/1981	95 3/4	96 3/4	7.99
8.875X 03/10/1982	102 3/8	103 3/8	8.17
6.650X 06/10/1982	92 1/8	93 1/8	8.03
6.800X 09/10/1982	92 3/4	93 3/4	8.02
8.600X 10/11/1982	101 3/4	102 1/4	8.16
7.350X 12/10/1982	95 1/4	96 1/4	8.06
6.750X 06/10/1983	91 5/8	92 5/8	8.08
7.300X 06/10/1983	94 5/8	95 5/8	8.09
6.750X 09/12/1983	91 1/2	92 1/2	8.07
8.000X 12/12/1983	98 1/2	99 1/2	8.09
8.400X 12/12/1983	101.44	101.56	8.13
6.250X 06/11/1984	88 1/8	89 1/8	8.04
8.200X 07/10/1984	99 1/4	100 1/4	8.14
7.950X 09/10/1984	97 3/4	98 3/4	8.15
6.900X 12/10/1984	91 5/8	92 5/8	8.07
7.650X 03/11/1985	95 3/4	96 3/4	8.15
8.625X 10/01/1990	98 5/8	100 5/8	8.55
7.000X 03/10/1992	86 3/4	87 3/4	8.39
7.050X 06/10/1992	87 1/8	88 1/8	8.39
7.400X 10/01/1997	86 3/4	88 3/4	8.55
7.100X 12/10/1997	88 1/4	86 1/4	8.49

## Government National Mortgage Banks

Rate-maturity	Bid	Ask	Yield to maturity
6.750X 09/30/2000	85	86	8.06
8.100X 09/30/2000	95 1/4	95 3/4	8.51
8.250X 09/30/2000	96	96 1/2	8.59
8.500X 09/30/2000	98 1/4	98 3/4	8.62
9.750X 09/30/2000	103 3/4	104 1/4	9.31
6.500X 01/01/2001	84 3/4	85 1/2	8.52
8.000X 01/01/2001	95 1/4	96	8.51
8.500X 01/01/2001	98 3/4	99 1/2	8.52
9.000X 01/01/2001	101 3/4	102 1/2	8.60
5.250X 06/01/2001	79 1/4	80 1/4	6.91
5.500X 06/01/2001	81	82	7.03
6.000X 06/01/2001	83 1/2	84	7.41
6.250X 06/01/2001	84 3/4	85 3/4	7.51
6.500X 06/01/2001	84 1/4	84 3/4	7.90
6.700X 06/01/2001	85 1/4	85 3/4	8.02
6.800X 06/01/2001	85 1/2	86	8.11
6.850X 06/01/2001	86 1/2	87	8.06
7.000X 06/01/2001	87	87 3/4	8.15
7.250X 06/01/2001	89 1/8	89 5/8	8.23
7.300X 06/01/2001	82 1/8	89 5/8	8.28
7.450X 06/01/2001	91	91 1/2	8.25
7.500X 06/01/2001	91	91 1/2	8.31
7.750X 06/01/2001	92 1/4	92 3/4	8.46
8.000X 06/01/2001	94 3/4	95 1/4	8.46
8.150X 06/01/2001	95 1/2	96	8.54
8.200X 06/01/2001	96	96 1/2	8.54
6.500X 06/15/2003	84 1/4	84 3/4	7.86
8.000X 09/15/2004	94 3/4	95 1/4	8.44
8.250X 09/15/2004	96	96 1/2	8.48
9.000X 10/15/2004	100 3/4	102 1/4	8.78
7.250X 06/15/2005	89 1/8	89 5/8	8.19
6.750X 06/15/2014	79 1/4	80 1/4	8.50

## United States Treasury Notes

Rate-maturity	Bid	Ask	Yield to maturity
7.000X 12/31/1975	100	100.06	4.88
5.875X 02/15/1976	99.97	100.03	5.58
6.250X 02/15/1976	100	100.06	5.73
8.000X 03/31/1976	100.56	100 5/8	5.64
1.500X 04/01/1976	97 5/8	98 5/8	6.35
5.750X 05/15/1976	99.84	99.91	5.95
6.500X 05/15/1976	100 1/8	100.19	5.99
6.000X 05/31/1976	99.94	100	5.98
8.750X 06/30/1976	101.34	101.41	6.03
6.500X 08/15/1976	100	100.06	6.40
7.500X 08/15/1976	100 5/8	100.69	6.42
5.875X 08/31/1976	99.56	99 5/8	6.43
8.250X 09/30/1976	101.31	101 3/8	6.42
1.500X 10/01/1976	95 1/4	96 1/4	6.50
6.500X 10/31/1976	99.94	100	6.50
6.250X 11/15/1976	99.72	99.84	6.43
7.125X 11/30/1976	100 1/2	100 5/8	6.43
7.250X 12/31/1976	100 5/8	100 3/4	6.49
8.000X 02/15/1977	101.44	101.56	6.58
6.000X 02/28/1977	99.03	99 5/8	6.81
6.500X 03/31/1977	99.41	99.53	6.89
1.500X 04/01/1977	92 1/2	93 1/2	7.00
7.375X 04/30/1977	100 1/2	100 5/8	6.89
6.875X 05/15/1977	99.81	99.94	6.92
9.000X 05/15/1977	102 5/8	102 3/4	6.92
6.750X 05/31/1977	99 5/8	99 3/4	6.94
6.500X 06/30/1977	99 1/4	99 3/8	6.94
7.500X 07/31/1977	100.66	100.78	6.98
7.750X 08/15/1977	100.97	101.09	7.04
8.250X 08/31/1977	101 3/4	101 7/8	7.06
8.375X 09/30/1977	102.06	102 1/4	7.05
1.500X 10/01/1977	89.94	90.94	6.98
7.500X 10/31/1977	100 5/8	100 3/4	7.06
7.750X 11/15/1977	100.97	101.09	7.12
6.250X 02/15/1978	98.19	98.31	7.11
8.000X 02/28/1978	101 1/2	101 5/8	7.19
1.500X 04/01/1978	87 1/4	88 1/4	7.16
7.125X 05/15/1978	99.66	99.78	7.22
7.875X 05/15/1978	101 1/8	101 1/4	7.30
7.625X 08/15/1978	100 5/8	100 3/4	7.31
8.750X 08/15/1978	103.19	103.31	7.36
1.500X 10/01/1978	84 5/8	85 5/8	7.29
6.000X 11/15/1978	96.78	96.91	7.20
8.125X 12/31/1978	101.91	102.03	7.36
1.500X 04/01/1979	82	83	7.42
7.875X 05/15/1979	101 1/4	101 3/8	7.41
7.750X 06/30/1979	100.91	101.03	7.41
6.250X 08/15/1979	96 1/4	96 1/2	7.36
8.500X 09/30/1979	103 1/8	103 1/4	7.50
6.625X 11/15/1979	97 1/4	97 1/2	7.37
7.000X 11/15/1979	98.81	99.06	7.28
1.500X 04/01/1980	77	78	7.61
6.875X 05/15/1980	97 7/8	98 1/8	7.38
9.000X 08/15/1980	105 3/8	105 5/8	7.55
7.000X 02/15/1981	97 1/4	97 1/2	7.59
7.375X 02/15/1981	98 7/8	99 1/8	7.58
7.750X 11/15/1981	100 1/8	100 3/8	7.67
8.000X 05/15/1982	101.06	101.31	7.74
8.125X 08/15/1982	101.41	101.53	7.82
7.875X 11/15/1982	100.06	100.19	7.84

## United States Treasury Bonds

Rate-maturity	Bid	Ask	Yield to maturity
4.000X 02/15/1980	87 3/8	88 3/8	7.29
3.500X 11/15/1980	83 5/8	84 5/8	7.28
7.000X 08/15/1981	96 3/4	97 3/4	7.50
6.375X 02/15/1982	92 3/4	93 3/4	7.66
3.250X 06/15/1983	77.56	78.56	6.98
6.375X 08/15/1984	92 7/8	93 7/8	7.34
3.250X 05/15/1985	77.69	78.69	6.29
4.250X 05/15/1985	79.06	80.06	7.21
6.125X 11/15/1986	87.56	88.56	7.69
3.500X 02/15/1990	77.56	78.56	5.73
8.250X 05/15/1990	101 3/8	101 7/8	8.03
4.250X 08/15/1992	78 5/8	79 5/8	6.23
4.000X 02/15/1993	78.31	79.31	5.94
6.750X 02/15/1993	87 3/4	88 3/4	7.96
7.500X 08/15/1993	94.31	95.31	8.00
4.125X 05/15/1994	78.56	79.56	5.97
3.000X 02/15/1995	77 7/8	78 7/8	4.68
7.000X 05/15/1998	88 1/4	89 1/4	8.04
3.500X 11/15/1998	77.56	78.56	5.10
8.500X 05/15/1999	102.06	103.06	8.21
7.875X 02/15/2000	96.56	97.56	8.11
8.375X 08/15/2000	101 3/8	101 5/8	8.22
8.250X 05/15/2005	100.19	100.69	8.19

## Federal Land Banks

Rate-maturity	Bid	Ask	Yield to maturity
6.250X 01/20/1976	100	100 1/8	6.67
5.000X 02/24/1976	99.69	99.94	5.26
5.375X 07/20/1976	99 1/8	99 5/8	6.02
6.350X 10/20/1977	98 1/8	98 5/8	7.15
4.125X 02/20/1978	92 3/4	93 3/4	7.29
5.125X 04/20/1978	94 1/8	95 1/8	7.43
6.400X 07/20/1978	96 3/8	97 3/8	7.53
5.000X 01/22/1979	91 3/4	92 3/4	7.68
6.850X 04/23/1979	96 5/8	97 5/8	7.64
6.800X 10/23/1979	96 1/4	97 1/4	7.63
6.700X 04/20/1981	93 3/4	94 3/4	7.92
6.900X 04/20/1982	93 1/4	94 1/4	8.07

## Twelve Federal Land Banks

Rate-maturity	Bid	Ask	Yield to maturity
9.200X 01/20/1976			

# U.S. Gov't Securities & Agencies

## Federal National Mortgage Association Part. Certificates

Rate-maturity	Bid	Ask	Yield to maturity
5.450% 04/01/1974	99 3/8	99 7/8	5.85
4.800% 07/01/1974	98 1/2	99 1/8	6.16
4.700% 12/01/1974	97 1/8	98 1/8	6.78
5.200% 01/19/1977	97 1/4	98 1/4	6.92
5.450% 04/01/1977	96 1/4	98 1/4	6.92
4.500% 07/01/1977	94 3/8	96 3/8	7.02
4.700% 12/01/1977	94 1/8	95 7/8	6.99
5.400% 04/01/1978	94 1/8	96 1/8	7.26
4.500% 07/01/1978	91 3/8	93 3/8	7.40
4.125% 08/14/1978	94 7/8	96 7/8	7.44
4.700% 12/01/1978	90 1/2	92 1/2	7.88
5.350% 04/01/1979	91 1/2	93 1/2	7.82
5.400% 06/23/1979	91 1/4	93 1/4	7.62
4.500% 07/01/1979	88 1/4	90 1/4	7.70
4.700% 12/01/1979	88	90	7.68
5.300% 04/01/1980	89 3/8	91 3/8	7.70
5.400% 06/23/1980	89 3/8	91 3/8	7.69
4.500% 07/01/1980	85 3/4	87 3/4	7.75
4.700% 12/01/1980	85 1/2	87 1/2	7.79
5.250% 04/01/1981	87 1/4	89 1/4	7.77
5.375% 06/23/1981	87 3/8	89 3/8	7.78
5.200% 01/19/1982	85 1/2	87 1/2	7.82
5.100% 04/06/1982	77	79	7.95
6.400% 12/11/1982	85	87	8.12
6.050% 02/01/1988	81 7/8	83 7/8	8.17
6.450% 04/08/1988	84 7/8	86 7/8	8.16

Values are as of Friday, December 19, 1975

## General Services Administration

Rate-maturity	Bid	Ask	Yield to maturity
7.125% 11/01/2002	83 3/8	84 3/8	8.63
7.200% 11/01/2002	84 1/8	85 1/8	8.63
7.250% 11/01/2002	84 5/8	85 5/8	8.63
7.300% 11/01/2002	85 1/8	86 1/8	8.64
7.400% 11/01/2002	86 1/8	87 1/8	8.64
7.150% 12/15/2002	83 1/2	84 1/2	8.64
7.500% 03/01/2003	87 1/2	88 1/2	8.60
8.100% 07/31/2003	94 1/4	95 1/4	8.55
8.125% 07/31/2003	95	96	8.50

## Twelve Federal Intermediate Credit Banks

Rate-maturity	Bid	Ask	Yield to maturity
6.050% 01/05/1976	99.97	100.04	5.12
6.650% 01/05/1976	100	100.05	5.09
6.600% 02/02/1976	100	100 1/8	5.32
6.180% 03/01/1976	99.94	100.06	5.64
5.800% 04/01/1976	99.81	99.94	5.87
7.000% 05/03/1976	100.16	100.28	6.07
7.600% 06/01/1976	100.44	100.56	6.18
7.700% 07/01/1976	100 5/8	100 3/4	6.15
6.900% 08/02/1976	100 1/8	100 1/4	6.42
6.200% 09/01/1976	99.78	99.84	6.41
7.100% 10/03/1977	99 7/8	100 3/8	6.72
8.700% 04/04/1977	101 1/2	102	7.04
7.100% 01/03/1978	99	99 1/2	7.37
7.400% 01/02/1979	98 5/8	99 1/8	7.73
7.400% 01/02/1980	97 7/8	98 3/8	7.88

## Tennessee Valley Authority Issues

Rate-maturity	Bid	Ask	Yield to maturity
4.400% 11/15/1985	72 3/8	73	8.60
4.625% 07/01/1986	75	75	8.20
4.500% 02/01/1987	73 1/4	73	8.20
5.700% 05/15/1992	75 3/4	75	8.45
6.375% 11/01/1992	81 1/2	81	8.45
8.250% 10/15/1994	96 1/2	96	8.63
9.000% 03/15/1995	104 1/2	104	8.52
7.300% 10/01/1996	86 1/2	86	8.72

## United States Treasury Bills

maturity	Bid	Ask	Equivalent bond yield
12/18/1975	99.99	99.99	4.97
12/26/1975	99.87	99.88	4.96
01/02/1976	99.77	99.78	5.00
01/08/1976	99.68	99.70	5.02
01/13/1976	99.61	99.63	5.06
01/15/1976	99.58	99.60	5.09
01/22/1976	99.47	99.49	5.16
01/29/1976	99.36	99.39	5.23
01/31/1976	99.30	99.34	5.41
02/05/1976	99.26	99.28	5.29
02/10/1976	99.18	99.21	5.31
02/13/1976	99.14	99.16	5.34
02/19/1976	99.04	99.07	5.38
02/26/1976	98.93	98.95	5.44
03/04/1976	98.81	98.84	5.50
03/09/1976	98.74	98.77	5.48
03/11/1976	98.71	98.73	5.51
03/18/1976	98.61	98.62	5.55
03/25/1976	98.48	98.52	5.56
04/01/1976	98.37	98.41	5.59
04/06/1976	98.28	98.32	5.63
04/08/1976	98.24	98.28	5.68
04/15/1976	98.12	98.16	5.71
04/22/1976	98.02	98.04	5.75
04/29/1976	97.88	97.93	5.78
05/04/1976	97.78	97.83	5.84
05/06/1976	97.75	97.79	5.85
05/13/1976	97.62	97.67	5.90
05/20/1976	97.49	97.54	5.96
05/27/1976	97.37	97.43	5.97
06/01/1976	97.28	97.35	5.97
06/03/1976	97.25	97.30	6.02
06/10/1976	97.13	97.18	6.03
06/17/1976	97.02	97.05	6.09
06/29/1976	96.78	96.86	6.08
07/27/1976	96.26	96.35	6.19
08/24/1976	95.74	95.84	6.28
09/21/1976	95.23	95.34	6.34
10/19/1976	94.72	94.82	6.42
11/15/1976	94.23	94.34	6.48
12/14/1976	93.75	93.81	6.55

## Farmers Home Administration (FDHA) Insured Notes

Rate-maturity	Bid	Ask	Yield to maturity
6.625% 08/31/1976	99 1/4	100 1/4	6.26
6.350% 03/31/1977	97 1/8	99 1/8	7.09
6.450% 06/30/1977	97 1/8	99 1/8	7.07
6.875% 08/31/1977	97 5/8	99 5/8	7.12
6.550% 12/29/1977	96 5/8	98 5/8	7.30
7.200% 03/21/1978	97 3/8	99 3/8	7.81
7.250% 05/12/1978	97 3/8	99 3/8	7.54
7.350% 07/05/1978	97 1/2	99 1/2	7.87
7.300% 12/28/1978	97 1/8	99 1/8	7.63
8.900% 01/31/1980	101	103	8.02
7.000% 11/30/1980	93 1/2	95 1/2	8.14
6.400% 03/31/1981	90 3/4	92 3/4	8.14
7.875% 06/30/1981	97	99	8.11
7.100% 01/04/1982	93	95	8.18
8.625% 07/31/1985	92 1/4	101 1/4	8.43
7.500% 08/31/1986	91 1/2	93 1/2	8.45
7.125% 12/29/1987	88 1/2	90 1/2	8.41
7.500% 03/21/1988	90 1/4	92 1/4	8.54
7.500% 05/12/1988	90 1/4	92 1/4	8.54
7.750% 12/28/1988	92 3/4	94 3/4	8.43
9.000% 04/23/1989	102 1/2	104 1/2	8.43

## Federal Home Mortgage Association

Rate-maturity	Bid	Ask	Yield to maturity
7.050% 08/25/1976	99 7/8	100 5/8	6.11
6.150% 02/25/1977	98 1/4	99 1/4	6.83
8.400% 11/27/1995	98 1/8	100 1/8	8.89
7.750% 08/26/1996	90 3/8	92 3/8	8.84
7.150% 05/26/1997	84 3/8	86 3/8	8.55
8.200% 03/15/2005	94 3/8	96 3/4	8.50

## Bank for Cooperatives

Rate-maturity	Bid	Ask	Yield to maturity
5.650% 01/05/1976	99.97	100.03	4.82
6.800% 02/02/1976	100.03	100.16	5.35
7.400% 03/01/1976	100.22	100.34	5.54
7.500% 04/01/1976	100.31	100.44	5.84
6.750% 05/03/1976	100 1/8	100 1/4	6.01
6.000% 06/01/1976	99.84	99.91	6.20
7.700% 04/04/1977	100 1/4	100 3/4	7.07
8.550% 10/02/1978	101 7/8	102 1/4	7.63
8.000% 10/01/1979	100	100 1/2	7.84

## Export-Import Bank of the U.S.

Rate-maturity	Bid	Ask	Yield to maturity
5.700% 12/01/1976	98 1/4	99 1/4	6.53
6.250% 08/02/1977	97 1/2	98 1/2	7.24
6.450% 02/01/1978	97 1/4	98 1/4	7.35
8.350% 08/28/1978	101 1/8	102 1/8	7.47
7.300% 11/27/1978	98 3/8	99 3/8	7.54
7.000% 03/07/1979	97 1/8	98 1/8	7.67
6.600% 05/03/1979	95 7/8	96 7/8	7.67
5.100% 02/20/1982	83 3/4	85 3/4	8.07

## Gold & Silver Quotes

**Gold & Silver Quotes**  
Daily Closing Prices For Week of Dec. 12- Dec. 18, 1975

	Dec. 12	Dec. 13	Dec. 16	Dec. 17	Dec. 18
Fix AM-PM	139.35-138.70	138.65-138.15	138.65-138.80	138.75-138.85	139.15-138.90
N.Y. Comex AU	\$138.40	\$137.60	\$138.30	\$138.60	\$138.60
N.Y. Comex AG	3.94	3.94	4.36	4.06	4.04

	Bid	Ask	Bid	Ask	Bid	Ask	Bid	Ask	Bid	Ask
Krugerrand 141%	141.25	143.25	142.00	144.00	142.00	144.00	142.00	144.00	142.00	144.00
Austrian 100-Cor	137.00	139.00	136.75	8.25	137.00	139.00	137.00	139.50	137.00	139.00
Mexican 50 Peso	174.00	176.00	173.00	175.00	174.00	176.00	174.00	176.00	174.00	176.00
British Sovereign	41.00	43.00	40.50	42.50	41.00	43.00	41.00	43.00	41.00	43.00
\$1,000 Silver Bag	2770	2820	2780	2825	2790	2830	2810	2850	2800	2840

**Previous Week Close**

	Dec. 5	Dec. 8	Dec. 9	Dec. 10	Dec. 11
N. Y. Comex Gold	137.80	136.30	137.60	139.40	139.50
N. Y. Comex Silver	4.01	3.93	3.96	3.99	4.03

Source: Desk & Co., Wholesale Gold Coin & Bullion Dept., 29 Broadway, NYC 10006 (Tel. 423-0880)

## Foreign Exchange Rates

Country and Monetary Unit Noon Buying Rate for Cable Transfers in New York (Value in US Dollars)  
December 11 to December 17, 1975

	Dec. 11	Dec. 12	Dec. 15	Dec. 16	Dec. 17
Australia Dollar	1.2530	1.2525	1.2520	1.2518	1.2525
Austria Schilling	.0540	.0538	.0537	.0537	.0537
Belgium Franc	.025209	.025250	.025170	.025208	.025300
Canada Dollar	.9864	.9830	.9850	.9863	.9864
Denmark Krone	.1627	.1622	.1616	.1616	.1617
Finland Markka	.2586	.2584	.2585	.2588	.2594
France Franc	.2243	.2241	.2234	.2235	.2239
Germany Deutsche Mark	.3804	.3799	.3789	.3793	.3805
India Rupee	.1120	.1115	.1115	.1115	.1115
Ireland Pound	2.0220	2.0185	2.0170	2.0185	2.0218
Italy Lira	.001463	.001462	.001459	.001462	.001464
Japan Yen	.003269	.003269	.003268	.003273	.003272
Malaysia Dollar	.3866	.3866	.3863	.3865	.3867
Mexico Peso	.0800	.0800	.0800	.0800	.0800
Netherlands Guilder	.3714	.3712	.3700	.3704	.3714
New Zealand Dollar	1.0373	1.0370	1.0361	1.0359	1.0366
Norway Krone	.1796	.1793	.1792	.1793	.1796
Portugal Escudo	.0368	.0369	.0368	.0368	.0367
South Africa Rand	1.1475	1.1480	1.1480	1.1480	1.1480
Spain Peseta	.016770	.016750	.016730	.016715	.016725
Sri Lanka Rupee	.1305	.1305	.1305	.1305	.1305
Sweden Krona	.2264	.2264	.2262	.2262	.2267
Switzerland Franc	.3791	.3789	.3789	.3796	.3805
United Kingdom Pound	2.0220	2.0185	2.0170		

# \$canners - the giants latch on to tomography

What has been described as a multi-billion medical electronics market — computerized X-ray scanning, or "tomography" — has now drawn the active participation of General Electric Corp. with another giant, North American Philips, soon to enter the fold.

Tomography or CAT scanning is a method of shooting thousands of individual X-ray photos which are then processed by a computer into a single picture. Those differences in tissue density which are the essence of X-ray diagnosis show up 100 times more clearly on the scanner than on conventional film. By exposing thin cross-sections of tissue at a variety of depths within the body, the scanner makes it possible for the internist or neurologist to zero in immediately on the problem.

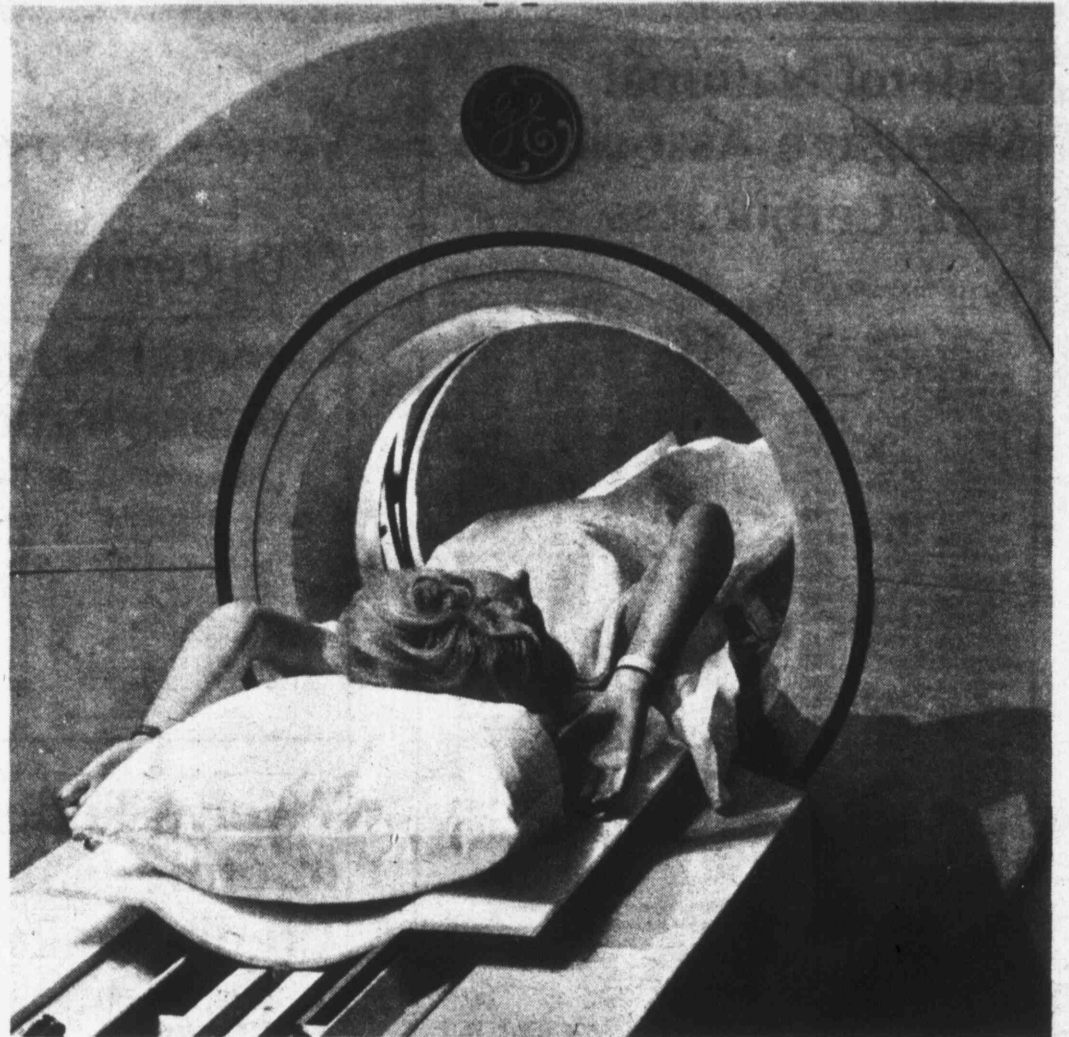
The CAT scanner was introduced in 1972 by EMI Ltd., a British whose main prior claim to fame was the fact that it had recorded an estimable vocal group known as the Beatles. EMI tested its first scanner in England and followed that up with tests at such U.S. institutions of medicine as Massachusetts General Hospital, and the Mayo Clinic. Doctors were flabbergasted by the scanner's superiority over conventional X-rays in detecting brain tumors, strokes and hemorrhages and scanning machines proceeded to sweep the medical world. EMI became a rather famous and profitable company (profits for the current first half, ending December 31 will be more than 50 per cent better than last year,

according to Chairman John Read) and a whole procession of firms made plans to enter the scanner business.

Already in the running with machines are Technicare Corp., Pfizer, Syntex, Picker Corp., Varian Associates and now GE and North American Philips. With scanners ranging in price between \$300,000 and \$500,000 and a vast backlog of requests to be filled, the rush to get in is hardly surprising.

GE, which modestly describes itself as "the leading producer of medical X-ray equipment," is currently booking orders for two new CAT scanner systems — a whole-body scanner and a breast cancer system — for delivery in 1976. A company spokesman says the breast scanner will sell for about \$400,000, the body scanner in the neighborhood of \$600,000 — which would make these two about the last word in high-ticket items. Moreover, if the company is to be believed, it will have quite a proprietary product in the breast scanner, since there is no other breast scanner currently on the market.

GE unveiled its two systems at a recent meeting of the Radiological Society of North America, disclosing that the breast scanner is undergoing final tests at the Mayo Clinic, while the whole body scanner



General Electric's body scanner — latest entry in the tomography field.

## Duke weathers nuclear delay

In these days of pervasive inflation, any sort of delay or procrastination often causes some eventual punishment to the profit column.

Consequently, when Duke Power Co. announced that it was deferring by one year the scheduled date for the commercial operation of six nuclear generating plants, Wall Street analysts might have had cause to scratch their heads. However, Duke differs from most utilities in one major aspect analysts say. The company has its own construction and engineering force, which allows it much greater physical and financial control over its construction programs. Thus, the delay is not as much of a calamity for Duke as it might have been for others.

The decision to defer the construction schedule by a year, is expected to reduce the company's construction expenditures through 1979 by approximately \$200 million. Overall, the reduction cuts Duke's construction budget for the 1976-1979 period by 7.8 per cent, paring it to \$2.350 billion from \$2.550 billion, according to Smith Barney analyst Robert L. Gaeckle.

The delay came about because the company did some recalculations and plugged in an outside utility consultant to take a look at the figures. Duke concluded that a combination of a business recession and newly-developed conservation streak in its customers had changed things considerably. As it turned out, the new calculations showed that Dukes' peak power needs would be reduced by 300,000 to 500,000 kilowatts below prior estimates between 1976 and 1979 and 1.5 million kilowatts below prior estimates during the next 15 years.

Thus Duke was able to feel comfortable with delaying construction on what the company calls its "six-pack" — two identical stations with three nuclear units each.

### Textile slowdown

One reason that Duke was hit by a slowdown in its needs during the past couple of years is that the company serves the North Carolina textile industry, which has been hit as hard by the recession as almost any sector in the U. S. economy. However, textiles are stirring again and the vibrations are being felt by Duke, which had a good third quarter and achieved a nice jump in kilowatt use in October over the period a year earlier.

Of course, the company's earnings per share were to some degree shielded by a 20 per cent rate increase which became effective last July. Thus Duke was able to come in with third quarter earnings of 66 cents a share, as compared with 54 cents in the similar period a year earlier.

Figures for the nine months showed more clearly the kind of difficulty the company was experiencing due to the textile recession. Per share was \$1.23 as compared with \$1.40 in the 1974 period.

Analysts think Duke will come in with approximately \$2 a share this year, as compared with \$1.80 in 1974. For next year, Smith Barney's Greckle feels the utility will check in with about \$2.50 a share.

## Greece studies offers of aircraft makers

The Greek government is considering offers by British Aircraft Corp. Boeing Co. McDonnell-Douglas for the purchase of five short-range airliners.

A Ministry of Coordination spokesman said the offers are being evaluated by a special committee of experts. The planes would be used to supplement the fleet of the state-owned Olympic Airways on its domestic routes.

According to aviation sources, the British and two American companies are offering the five planes at about the same price. The competition centers mainly on the credit terms being offered, they said.

The sources said British Aircraft Corp. appears to have an edge since it is offering its BAC-1-11500 model at 100 per cent financing—90 per cent of the value of the planes to be paid over 10 years at about 8 per cent interest and the rest to be covered by a Eurodollar loan.

Boeing is offering its advance 737, while McDonnell Douglas is offering its DC9-509, the latest of the DC9 series first introduced in 1966, they added.

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