Grand Jury Indicts 8 Electrical Equipment Companies, 8 Officials

New Indictments Charge Price Fixing, Bid Rigging in Turbine Generator, Condenser Field

By a WALL STREET JOURNAL *Staff Reporter*

PHILADELPHIA—A Federal grand jury here returned two more indictments in the Government's broad investigation of the electrical equipment industry, charging criminal conspiracies to fix prices and rig bids in violation of antitrust laws.

This brought to 18 the number of indictments returned by four grand juries here since mid-February.

The new indictments named eight companies and eight of their officials, including a company president and four vice presidents. The indictments covered turbine generators and condensers.

Named in the turbine generator indictment, alleged to involve average annual sales of $400 million, were General Electric Co., Allis-Chalmers Manufacturing Co. and Westinghouse Electric Corp.

Also named were W. S. Ginn, vice president and general manager, turbine division, General Electric; W. E. Saupe, general manager, large steam turbine-generator department, General Electric; C. I. Mauntel, sales manager, Steam division, Westinghouse; and W. C. Rowland, vice president, Steam division, Westinghouse. Mr. Ginn has previously been indicted on similar charges.

Co-Conspirators Named

Named as co-conspirators but not as defendants in the turbine indictment were Carrier Corp., Worthington Corp. and Delaval Steam Turbine Co. of Trenton, N.J.

Charged in the condenser indictment, said to cover purchases totaling $32 million annually, were Foster Wheeler Corp. of New York; Allis-Chalmers; Carrier Corp. of Syracuse, N.Y.; Ingersoll-Rand Co. of New York; Westinghouse Electric; C. H. Wheeler Manufacturing Co. of Philadelphia; and Worthington Corp. of Harrison, N.J. Only Allis-Chalmers and Westinghouse had previously been named.

Officials named in this indictment were Mr. Mauntel of Westinghouse; H. G. Conkey, vice president of domestic sales, Ingersoll-Rand; M. H. Howard, manager of production, Foster-Wheeler; L. G. Thomas, president, C.H. Wheeler Manufacturing, and A. M. Tullo, vice president, Worthington Corp. None of the individuals in the condenser indictment had been previously named.

General Electric stated, as it has in connection with prior indictments, that the practices charged run counter to the company's written policy.

William L. Maher, chief of the Philadelphia office of the Justice Department's antitrust division, said the grand jury returning the indictments was still investigating the industry and said one other grand jury was also investigating. All told, four grand juries have conducted the inquiry since it began about a year ago.

The indictments were returned in the court of U.S. District Judge Harold K. Wood. No date for arraignment has been set. Maximum penalties for companies pleading guilty or found guilty by trial is a $50,000 fine on each indictment. For individuals, the penalty could be a fine up to $50,000 or a year in jail, or both.

Dollar Volume Biggest

The turbine-generator indictment, in terms of dollar volume of products, was by far the biggest indictment so far returned. By their size and complexity, turbine-generators are high-priced pieces of equipment. The indictment alleged, for example, the defendants agreed GE would be the low bidder—at $16,112,000—for a giant 500,000-kilowatt unit for the Tennessee Valley Authority.

Among the specific charges was that the defendants met in New York in November, 1955, to discuss the prospective sales of turbine-generator units for nuclear power generating plants of Consolidated Edison of New York, Inc., Commonwealth Edison Co. and Detroit Edison Co. It charged the defendants agreed Westinghouse would be the successful bidder on the Consolidated Edison job, while General Electric was picked to get the Commonwealth Edison business and Allis-Chalmers the units sold to Detroit Edison.

Senate Unit Vot
To Subsidize Sr
Lead and Zinc

By a WALL STREET JOURNAL

WASHINGTON—The Sena mittee approved by voice vot bill to permit the Governme dies to small mine operators lead and zinc industry.

The measure is expected t later this week and go to the an expected veto by Presiden Administration contends the of import quotas for lead an protection for the domestic

The subsidy program wo five-year period at an estim million a year. Subsidies w whose output total no more lead or zinc a year. Paymen to insure producers a retur pound for zinc and 17 cents Current market prices are and 12 cents for zinc. Under the Government would ma ence.

The industry's plight stem volume of imports in the pa result, a host of bills have b Congress to provide relief f to increase present duties o

Digest of Earnings Re

A summary of corporation reports appears below. Further details o more widely held companies appear elsewhere in this issue. Unless otherwis taxes have been deducted in arriving at net income.

Wednesday, June 29, 1960:

Company:	Period	Net Income 1960	Net Income 1959
Aerojet-General Corp.	6 mos. May 31	4,456,556	3,832,661
Allyn & Bacon	Year Apr. 30	739,777	517,018
Arnold Altex Aluminum	6 mos. Apr. 30	d54,664	180,877
Atlantic Coast Line R.R.	5 mos. May 31	5,697,000	6,162,000
Bayview Oil	Year Mar. 31	212,826	251,353
Belmont Iron Works	6 mos. May 31	188,022	d253,901
Canadian Breweries	Quar. Apr. 30	1,733,746	1,377,216
Canadian Breweries	6 mos. Apr. 30	3,977,337	3,468,809
Cenco Instruments Corp.	Year Apr. 30	1,168,701	729,148
Chic. So. Sh. & So. Bend R.R.	5 mos. May 31	d57,111	30,978
Corby (H.) Distillery	Quar. May 31	259,787	262,071
Corby (H.) Distillery	Quar. May 31	977,852	1,172,183
Davega Stores	Year Feb. 29	j12,739	d385,315
D.C. Transit System	5 mos. May 31	177,420	363,538
D.C. Transit System	12 mos. May 31	376,850	715,394
Duro-Test Corp.	9 mos. Apr. 30	383,857	340,069
Epsco, Inc.	Year Dec. 31	m562,769	d195,430
Gulf States Utilities	12 mos. May 31	16,536,652	14,768,845
Illinois Power	12 mos. May 31	20,615,563	17,188,438
Indian Head Mills	6 mos. May 28	1,425,000	1,200,000
Louisville & Nashville R.R.	5 mos. May 31	4,705,270	5,437,208
Maine Central R.R.	5 mos. May 31	497,353	262,187
Ohio Power Co.	12 mos. May 31	22,105,312	20,628,393
Pennsylvania Pwr. & Lt.	12 mos. May 31	25,712,014	24,275,355
Philadelphia Electric Co.	12 mos. Apr. 30	43,529,818	40,627,477
Volunteer Natural Gas	12 mos. May 31	80,151	55,733

(a) On shares outstanding at close of period. (b) On the average nu outstanding during the period. (c) On shares now outstanding. (d) Net los ferred shares. (f) Preliminary report. (g) Adjusted to reflect stock split or (h) After giving effect to special non-recurring items. (j) After giving effect of $523,783. (k) Includes operations of Hoosac Mills Division since its acq ruary and of the USF-Arnold Finishing Co. acquired on April 1, 1960. (m) giving effect to a gain of $742,911 from sale of investment in Digitronics recurring charges of $494,536.