ording by mistake.
eral Reserve spokesman insisted "financial difficulties" phrase present a significant departure past Fed approach. But a reading ase indicated that the Fed has typ- en of the need for a holding com- approve its financial position, with- terizing its financial position with foreboding as "difficulties."

ak the holding company sought to st First National Bank of Mexico, rding to the Fed. It had deposits of as of last Dec. 31. Bankers a banks had combined deposits at of $16.6 billion, the Fed said.

e in the stock market to the Fed's words "financial difficulties" was ghers Trust New York Corp. the New York Stock Exchange tape at $88.875, down $3 from its on Wednesday. It was down $3.125 ek.

like waving a red flag," said one peaking of the statement that rems wires shortly after the open- stock market. Despite general im- of the banking industry's capital recent months, many investors regard most banking stocks with cause of widespread loan losses g the recession.

difficulties

aman for the company, whose ubsidiary is Bankers Trust Co., e seventh largest commercial the Fed used "unwarranted and language" in its first statement. that the bank or its parent com- oving financial difficulties.

ne bank was disappointed its ap- n was rejected, the spokesman added ank interpreted the Fed's state- imply a continuation of edmoni- banking industry to "go slow" e.

, Bankers Trust hasn't been ed by bank securities analysts. e, Keefe, Bruyette & Woods Inc., firm specializing in bank stocks, egative a long time" on Bankers an investment, according to ath, director of research.

Gates & Co., which analyzes npany statistics and publishes a ervice called Bankcompare, said Trust, "Some of its financial ra- ho high side compared to major r banks."

er, the Fed has been extremely about the financial problems of organizations it regulates. It 3 months earlier this year wran- ongressmen over access to ex- records of banks on its ist. Fed Chairman Arthur Burns ngressional testimony that dis- ence of banks on the list could m them.

said yesterday it doubted that N.Y., bank's earnings over the would be sufficient to repay on of promissory notes Bankers ed to issue for the purchase. insisted it feared that repaying of the Mexico Bank's earnings , in a "deterioration" of the ial position. Presumably, under ddonese Bankers Trust would to shore up the capital posi- quired bank.

Trust's financial difficulties, the ve "lessened its ability to serve f strength for its subsidiaries."

Gulf

any's earnings have been lag- s figures, largely because of ons for loan-loss reserves. Net

...law materials and of Repone itself.

Last May, a federal grand jury handed

PCBs' Possible Link to Cancer in Humans Is Reported in Study of Mobil Corp. Plant

By a Wall Street Journal Staff Reporter

WASHINGTON — Mobil Corp. has reported what may be the first association of polychlorinated biphenyls, or PCBs, with cancer in humans.

The exposure occurred at Mobil's Paulsboro, N.J., petrochemical plant, where a PCB product made by Monsanto Co. was being used in the plant's operations. PCBs are widely used as heat-transfer agents in electrical equipment.

Details of the cancer cases were reported in a letter from researchers to the New England Journal of Medicine. The National Institute for Occupational Safety and Health immediately asked scientists in the U.S. and elsewhere for any further reports of the chemical's association with cancer in humans.

PCBs have been linked with a variety of less severe human ailments. Workers exposed to high concentrations have developed skin eruptions, eye discharges, swelling of the eyelids and digestive disturbances. Fed to test animals, the chemical has produced liver cancer in rats and mice.

Studies Are Urged

The Mobil study "is very preliminary," said Roscoe Moore Jr., an epidemiologist at the Occupational Health Institute. "It provides a bit of information, but other studies should be pursued," he said. Mr. Moore said the institute already has begun its own research. It will review the death records of workers in New York State who have been exposed to PCBs to determine whether there is an abnormal incidence of cancer. The study will take about two years to complete.

The Mobil study was conducted by Dr. Anita K. Bahn of the University of Pennsylvania School of Medicine. She reported that malignant melanoma, a frequently fatal form of skin cancer, was developed by two of a group of 31 employes heavily exposed to PCBs. One other worker developed melanoma in a group of 41 employes exposed less intensely.

Melanoma is a fairly unusual form of cancer, and the three cases were an unusual number in a small group of workers. Dr. Bahn noted that based on the expected incidence, only 0.04 malignant melanoma would have been anticipated in the group of 31 employes.

Surveillance Advised

"Because early detection of malignant melanoma may markedly affect survival rates, surveillance for melanoma among those exposed should be considered," Dr. Bahn wrote.

The Occupational Health Institute provided additional details in a letter to 1,200 experts in the field. The Mobil study reviewed the health records of two groups of employes who were exposed to PCBs at the Paulsboro plant from 1949 to 1967 and 1953 to 1956. Seven of the workers developed cancer. Besides three cases of malignant melanoma, two cases of pancreatic cancer occurred. The incidence of these two types of cancer was significantly greater than would be expected normally in a population of that size, noted Dr. John F. Finklea, institute director. Neither melanoma nor pancreatic cancer previously was associated with occupational exposure to a chemical, experts said.

The PCB product involved was Aroclor 1254, manufactured by Monsanto, the largest producer in the U.S.

reserve, to the extent that it will cover them, and then against earnings.

In last year's annual report, Bankers Trust said it was renegotiating the terms on almost half of its loans to real estate investment trusts. The troubled loans amounted to

statement of its evidence in the case as part of the court record.

Equimark, 23 Directors Sued on Sale of Interest In Funding Systems

By a Wall Street Journal Staff Reporter

PITTSBURGH—Equimark Corp. and 23 present and former directors have been accused in a shareholder-derivative suit of selling too cheaply the company's majority interest in Funding Systems Corp., a New York-based equipment-leasing concern, last year.

Equimark declined to comment on the suit.

The complaint, filed in Allegheny County court of common pleas May 13 and amended early this week, alleges that the bank-holding company unnecessarily suffered a loss of $4.3 million in April 1975 when it sold about 581,000 shares of Funding Systems Corp. common for 55 cents a share to two Funding Systems Corp. officers. All of the shares had been purchased by Equimark for 88 a share, the derivative suit alleges.

A derivative suit is brought by a shareholder for the benefit of the company rather than himself, and any damages assessed are awarded to the company rather than to the holder.

Equimark's April 1975 divestiture of its 54% interest in Funding Systems followed an abortive attempt the previous year to increase its holdings. In March 1974, Equimark announced it would make a $3-a-share tender offer for all Funding Systems shares outstanding, subject to approval by the Federal Reserve Board. But the tender offer was withdrawn in November 1974, after Equimark learned that Federal Reserve Board approval would be delayed.

Shortly thereafter the company began negotiating for the sale of its interest in Funding Systems, and the purchase by Funding Systems President G. Gray Garland Jr. and Floyd R. Ganassi, vice president, was completed in April 1975 at a purchase price of $319,000. In a 1975 filing with the Securities and Exchange Commission, Equimark set its net loss on the transaction at $1.8 million.

In addition to requesting that the directors compensate Equimark for the alleged $4.3 million Funding Systems loss, the suit also requests similar compensation for a $100,000 fine paid by the company in 1975 after it pleaded guilty to a violation of the Bank Holding Company Act in its 1972 acquisition of Maryland-based Landmark Finance Corp.

The suit was filed by holders William J. and Ruth K. Snodgrass III. The company reported the original complaint, which alleged a $2.7 million loss, in a May filing with the SEC. The company must file its answer to

regulations. Most of the alleg... occurred before the Roussel ... bank in 1974, however, the SEC ...

The SEC said there wasn't ... between the Farris & Ranch cha... ones related to the bank.

All of the defendants consenti... judgments did so without admitti... ing the SEC allegations.

The SEC complaint also nam... defendants who didn't consent t... and against whom the commissi... are still pending. They are: Mi... sociates Inc., a Wichita, Kan... dealer; three of the firm's exec... ard Smith, Robert Adrian and ... kins; Kenneth Mick, a register... tative with the firm, and Clar... Houston, founder and president ... Ranch.

Auto Output Wi... Previous Week b... But Trail 1975 P...

By a Wall Street Journal Staff

DETROIT—U.S. auto makers ... build 123,987 cars this week, up ... from the 109,887 units produced ... but down 3.4% from output in the ...

Traditionally, auto production ... tuate at this time of year as ca... lines are closed for retooling a... opened to begin output of the new ...

During most of next week, G... tors Corp. will have two car-ass... closed for model changeover. Fo... reason, two Ford Motor Co. asse... and one Chrysler Corp. facili... closed next week. All Americ... Corp. plants will be operating.

	This Week-o	Last Week	Yr Ago Week	To D 1976
GM	66,987	46,375	61,676	1,051,367
Ford	29,535	31,617	27,427	1,425,393
Chrysler	23,300	30,895	34,773	636,700
Am Mtrs	4,730	3,300	5,730	126,604
Industry	123,987	108,887	109,315	2,489,879

Make	This Week-o	Last Week
GENERAL MOTORS		
Chevrolet	4,389	1,...
Corvette	900	...
Chevelle	2,488	2,...
Nova	3,900	4,...
Camaro	2,913	2,...
Monte Carlo	4,000	4,...
Vega	2,900	2,...
Chevette	2,300	...
Monza	...	...
Pontiac	1,904	...
Le Mans	1,700	...
Firebird	2,884	2,...
Grand Prix	4,000	3,...
Astre	350	...
Sunbird	...	...
Ventura	900	...
Oldsmobile	1,900	...
Cutlass	10,160	9,...
Omega	710	...
Starfire	...	...
Toronado	232	...
Buick	5,382	3,...
Century	6,342	4,...
Skyhawk	...	...
Skylark	1,252	2,...
Riviera	...	...
Cadillac	1,886	...
Eldorado	1,000	...
Seville	350	...
FORD		
Ford	8,171	8,...
Granada	6,748	7,...
Pinto	885	2,...
LTD II	1,200	1,...
Maverick	1,911	1,...
Mustang	4,313	3,...
Thunderbird	1,726	...
Club Wagon	1,000	...
Mercury	1,648	1,...
Monarch	2,274	2,...
Cougar	800	...
Comet	800	...
Lincoln	700	...
Mark V	197	...
Bobcat	162	1,...
CHRYSLER		
Prym Gran Fury	1,400	1,...
Fury	2,225	2,...
Valiant	6	...
Volare	7,225	4,...
Voyager	150	...
Royal Monaco	1,200	1,...
Monaco	1,000	1,...

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