ɔorate Profit ıbed by 1.8% une Quarter

ɔcrease Was Smallest 5 Rises in Row; GNP n Revised Downward

A STREET JOURNAL *Staff Reporter*
IGTON—Corporate profits rose in period for the fifth quarter in a 'e increase from the prior three ı also the smallest in five quar- ommerce Department said.
ame time, the department issued ıs showing that the nation's econ- slightly more slowly last quarter ually thought. The annual rate of e "real," or inflation-adjusted, ·al product was put at 4.9%, the initially reported 4.4%. GNP re of the nation's total output of services.
ose somewhat more quickly last an initially estimated, according sed figures. As measured by the i's broadest gauge of inflation, al a 5.3% annual rate in the sec- , rather than at the 4.7% clip re- he department last month.
corporate profits rose $1.4 bil- %, in the June quarter to a sea- usted annual rate of $81.1 billion billion in the first quarter, when sed $5.6 billion, or 7.8% from the months. Second quarter profits igher, however, than the $61 bil- 's second period. Profit figures quarters were lowered signifi- art of an annual revision of the

ent economists had been expect- down in profits growth in the

vnward revision of the second J GNP came despite a sharp up- on of the figures for inventory in- ıll the other major components of adjusted downward, with the big- oming out of federal government

adjustment for inflation, GNP billion in the second quarter, or easonally adjusted $1.674 trillion In the first quarter, it rose $48 2.6%, to an adjusted $1.636 tril-

ing inflation, second quarter ed $13.1 billion, or 4.3%, to a n pace from $1.346 trillion in the r when the increase was $27.1 2%.
t for GNP and prices could be ll further when the department ed data on corporate profits on arge revision in the GNP figures however.

cing of Boucher ing Is Delayed

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 biphanyls, 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 1957 and 1953 to 1958. Seven of 92 workers developed cancer. Besides three cases of malignant melonama, 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.

Cousins Properties Has Option to Repurchase Note at Reduced Price

By a WALL STREET JOURNAL *Staff Reporter*

ATLANTA—Cousins Properties Inc. said one of its major investors, the Ford Foundation, has given the company an option to repurchase a $22.5 million note for $12 million until Oct. 21, or for $15,750,000 from then until Dec. 21.

But the company, which also reported its first half loss grew to $6.6 million this year from $1.1 million last year, said it couldn't give any assurance as to whether it will be in a position to exercise the option.

The repurchase option on the subordinated unsecured note, it said, includes accrued interest and related warrants for the purchase of 281,250 common shares of Cousins Properties.

Meanwhile, the company said, Ford Foundation has given it waivers extending until Oct. 15 covering certain events of default with respect to the note. A spokesman declined to specify the events of default. He did say the note was issued in July 1974, matures in July 1986 and carries an interest rate of 8½%.

The real estate development company said it had an operating loss in the six months ended June 30 this year of $9.1 mil-

New England Electric Says Unit Seeks License To Build Nuclear Plant

By a WALL STREET JOURNAL *Staff Reporter*

WESTBORO, Mass.—New England Electric System said its New England Power Co. subsidiary has applied to the Nuclear Regulatory Commission for a license to build a two-unit nuclear power plant in Charlestown, R.I., at a projected cost of $1.7 billion.

New England Power would own a majority interest in the plant, while about 30 private and municipal New England utilities would own smaller shares.

Each of two pressurized water reactors would have an electrical capacity of about 1.2 million kilowatts, the utility said. The project is currently scheduled to be completed by 1986.

Texas Agency Orde Maximum Oil Outp From State's Fields

Special to THE WALL STREET JOURNAL
AUSTIN—The Texas Railroad Com-

MCA Inc. to B Minorities in Fi Of Entertainme

* * *

Concern's New Ventur To Get $3 Million B Matching Aid Fro

By a WALL STREET JOURNAL *Staff*

UNIVERSAL CITY, Calif.— the entertainment conglomerat lishing a new subsidiary, MCA tures Inc., as a minority enterp business investment company, t ther the entertainment industry ities," including blacks and wom

MCA's president, Sid Sheinbe company will be started with $ MCA financing. This will be m tially by $3 million from the Sma Administration, Mr. Sheinberg sa

MCA New Ventures is the ent industry's first minority enterp business investment company to and the largest of the more than so far by the Small Business Adm New Ventures will operate solely financing and financial manage tance to small minority-owned involved in motion pictures, reco sion or other entertainment-rela said Norbert A. Simmons, genera of MCA New Ventures.

Elliott Witt, chairman of MCA tures, said he believes that blacks minorities such as Mexican Ame Puerto Ricans "have never real cess to the studios. We don't thin gram is a panacea, but we think the next several years, it'll enhan trance of many minority person mainstream of the entertainment

The leveraging formula for se nies is based on the Small Busine istration's purchase of the prefer and-or debentures of up to an amo to four times the amount of paid-i So the $3 million invested by MCA result in about $15 million being the companies of disadvantaged entrepreneurs in entertainment an industries, Mr. Witt said. The SB gin with $3 million.

Asked if he thought the new would provide many new opportu minorities in the entertainment fi ing black actor James Earl Jones a needed. It's worth a try. But we'l see the results.

"The only way that it can oper opportunities is if the new venture a movie that's very successful," h added.

MCA's Mr. Witt said that the n pany will finance only "economic

lans

$5 Million Facility in Ut

TULSA—Facet Enterprises Inc. Campbell Filter Co. unit will build llon automotive filter plant and dis