

Schroder Rockefeller Formed for Service In Underwriting Field

**Principal Stockholders Are Avery
Rockefeller and J. Henry Schroder
Banking Corp.**

Formation of a new investment underwriting firm to be known as Schroder Rockefeller Co., which will have for its officials former members of J. Henry Schroder Bank Corp., was announced yesterday at the offices of the private bankers.

The new firm plans to develop an originating and underwriting business with important domestic utility and industrial enterprises. In addition to the underwriting, the firm plans to do a general securities business.

Although the new company does not plan to enter the retailing of securities at the present time, officials would not say that this field will be entirely ignored in the future.

Source of Business

Similar in origin to the investment underwriting firms which have been organized since the Securities and Exchange Act divorced this business from the banking field, the new company probably will draw much of its business from interests formerly connected with the Schroder Banking Corp. It is also considered likely that many new connections will be developed by the new company.

Prior to the enactment of the Securities and Exchange Act, the banking corporation did an extensive underwriting business. Among its clients were International Railways of Central America, Prudential Investors, Continental Securities Corp., Electric Shareholdings and others. It also underwrote a substantial amount of foreign business. Since the new securities law was put into effect, the banking company has confined its business mainly to commercial and acceptance banking.

The new firm will have an authorized capital of \$3,000,000, of which \$1,000,000 will be paid-in capital. J. Henry Schroder Banking Corp. will be a stockholder, although it will not have a voting or controlling interest, officials said. Avery Rockefeller of New York and J. Henry Schroder & Co. of London will be the two principal stockholders.

Carlton P. Fuller, formerly vice president of the banking corporation, will become president of the new company. Avery Rockefeller and Gerald E. Donovan, both former officials of the banking unit, will be vice president. All three have severed their connections with J. Henry Schroder Banking Corp. The board of directors will include, in addition to the above named officials, Frederick B. Adams, chairman of the board of Air Reduction Co., and John L. Simpson, executive vice president and director of the banking company. Mr. Simpson will continue his connection with the banking corporation.

The new company will have offices at 48 Wall Street and is expected to open for business on or about July 20.

Intimates Some Deals Pending

Commenting on the immediate outlook for securities underwriting, Mr. Fuller expressed the belief that the bulk of new offerings would continue to be for refunding purposes. Questioned whether the new concern had under consideration any offerings in the near future, he intimated that some deals were pending.

J. Henry Schroder & Co. is a London firm of merchant and investment bankers established in 1804. Its operations have always been closely connected with North and South America as well as with the Continent of Europe, and shortly after the war the firm was instrumental in the establishment of J. Henry Schroder Banking Corp., New York.

Avery Rockefeller, who is the other principal founder of Schroder, Rockefeller & Co., is the son of the late Percy A. Rockefeller and a grandson of William Rockefeller, younger brother of John D. Rockefeller, Sr. After leaving college, Mr. Rockefeller spent several years with industrial companies and in 1928 became associated with J. Henry Schroder Banking Corp. He has had an extensive banking experience in Europe as well as in New York.