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NEW BOOKS AND RECENT SCHOLARSHIP

F. HODGE O'NEAL*
JORDAN DERWIN**
C. EDWIN CHAPMAN, JR.***

The years since World War II have brought extensive developments in the field of corporation law and practice. Many states have enacted a completely new corporation statute¹ or a new blue sky law. At the same time, "federal corporation law" and federal securities regulation have grown substantially. Legislatures and courts in many states have given some recognition to the distinctive problems of the close corporation. A number of highly publicized proxy fights have spurred developments in the law applicable to the proxy system. Some courts have enunciated interesting legal principles applicable to the sale of corporate control. And just last year Congress amended the Internal Revenue Code to authorize the creation of a new hybrid form of business organization (with potentialities for tax advantage) usually referred to as the "tax-option corporation."

Naturally these developments have sparked the preparation and publication of a rather vast amount of literature; much has come off the press during the last three or four years. A noteworthy characteristic of most of this literature is an emphasis on "preventive law" and on the planning and drafting aspects of corporate practice.

This article lists and discusses briefly books and other important materials published in the United States since mid-1956. Reference is made to books scheduled to appear in the next few months whenever publishers are willing to disclose their plans.

Coverage is limited to literature on corporation law and practice in a somewhat narrow sense. Literature dealing with antitrust questions, patents and copyrights, executives' compensation, fair trade legislation and many other matters arising out of business activities are not included. Reference is made to some of the books and booklets which deal broadly and concisely with problems of corporate taxation and can be particularly serviceable to general practitioners; no attempt is made to deal comprehensively with literature primarily designed for tax specialists.

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1. Most of the new state corporation statutes are based on the Model Business Corporation Act, prepared by the Section of Corporation, Banking and Business Law of the American Bar Association. The North Carolina Business Corporation Act has many novel provisions which do not appear in the Model Act.

Mention is made of legal periodicals devoted exclusively or primarily to corporation law and practice, and of issues of regular law reviews devoted to symposia on corporations. Single articles appearing in law reviews are not covered.

I. ENCYCLOPEDIAS AND GENERAL TREATISES

A new volume 19 to Fletcher, *Cyclopedia of Private Corporations*,² is now in preparation. This new volume, which will be on "Corporate Practice," will reflect new developments and recent thought, particularly in the counseling aspects of corporate practice. It will cover not only law in the strict sense but also matters of business policy and practice.

A revised third edition of Fletcher, *Corporation Forms Annotated*,³ is being published. Eight of the ten volumes have already been issued in revised form, and the other two revised volumes will follow shortly. This set contains a comprehensive collection of corporation forms designed (as the publisher states) to provide "a form to fit every need." The set is keyed to Fletcher, *Cyclopedia of Private Corporations*. It will be kept up to date by pocket supplements.

A new multivolume treatise, now in the process of preparation, is *Modern Corporation Law*⁴ by Howard L. Oleck, Professor of Law and Assistant Dean at Cleveland-Marshall Law School. The set, when completed, will consist of four volumes of text and one volume of forms. It will be kept current by annual supplements. Volumes I and II, already published, deal with "Organizing the Corporation" and "Management of the Corporation." The other volumes will carry the following titles: "Shareholders and Third Parties," "Consolidation, Insolvency and Dissolution," and "Forms." The author comments in his preface that this set is "concerned mainly with the 'bread-and-butter' view more than with voluminous theoretical discussions of esoteric points rarely encountered in actual practice" and that it focuses on the medium-sized corporation rather than the giant corporation. An unusual feature of this work is that it contains a considerable amount of material reprinted from law reviews and legal journals. The authors of the "contributions" acknowledged in the

2. Chicago: Callaghan & Co. The new volume will replace FLETCHER, PRIVATE CORPORATIONS vol. 19 (perm. ed. 1933). When possible, the reader will be given details such as length, price and publication date. This information often cannot be supplied with works now in preparation.

3. Chicago: Callaghan & Co. 1957.

4. Indianapolis: The Bobbs-Merrill Co. 1958. 2 vols. Pp. vii, 968; v, 913. Pre-publication price: \$20.00 per volume. The first volume of this set has been reviewed by the following: Davis, Book Review, 37 TEX L. REV. 370 (1959); Roberts, Book Review, CLEV.-MAR. L. REV. 187 (1959). Since preparation of this article, announcement has been made of the publication of Hornstein, *Corporation Law and Practice (With Forms)*, St. Paul: West Publ. Co., 1959. 2 vols.

first two volumes range all the way from Adolf A. Berle, Jr., and Elvin R. Latty to student authors of law review notes and comments.

One of the best bargains to be found in the new corporation literature is *Lattin on Corporations*,⁵ written by Norman D. Lattin, Professor of Law at the Ohio State University College of Law. This one volume work is scholarly and carefully prepared. It is designed primarily for the use of law students, but it also is a very useful book for practicing lawyers. As the other competently written one volume books on corporations⁶ are now ten years old or older, this volume meets a real need.

An edition of *Corporate Meetings, Minutes and Resolutions*,⁷ by Lillian Doris and Edith J. Friedman, was published in 1958. This three volume work sets forth legal principles, precedents and specimen documents helpful to attorneys and others responsible for the proper authorization and recording of corporate action.

Although this survey is limited to American literature, mention should be made of the second edition of *The Principles of Modern Company Law*,⁸ by L. C. B. Gower, Sir Ernest Cassel Professor of Commercial Law at the University of London. Professor Gower made many friends among members of the American Bar while he was a visiting teacher at Harvard Law School a few years ago, and the articles he published then in American periodicals enjoyed great popularity. For that reason, many American practitioners will be interested to know of the availability of the second edition of his book on the principles of English company law. Furthermore, Professor Gower draws attention in his book to a number of important legal developments in the United States and contrasts American solutions of problems with those arrived at in England.

II. AMERICAN BAR FOUNDATION PROJECT

The American Bar Foundation is currently engaged in a monumental study of state corporation laws designed to provide source information for legislative and business groups interested in modernizing corporation statutes. This work, which will probably be known as *Model Business Corporation Act Annotated* or *Corporate Laws Annotated* is scheduled for publication in July 1960.⁹ It will consist

5. Brooklyn: The Foundation Press. 1959. Pp. xxii, 613. \$8.00.

6. BALLANTINE, CORPORATIONS (rev. ed. 1946); STEVENS, CORPORATIONS (2d ed. 1949).

7. Englewood Cliffs, N. J.: Prentice-Hall, Inc. 1958. 3 vols. \$37.50.

8. London: Stevens & Sons, Ltd. 1957. Pp. xlvii, 631.

9. This work is expected to run about 1600 pages. The publisher and the price are as yet undetermined. The model acts are presently available as follows: (1) ABA-ALI MODEL BUS. CORP. ACT (1953). Philadelphia: The American Law Institute collaborating with the American Bar Association. Handbook A. Pp. xxi, 136; 1957 Addendum: 18 pp. (2) MODEL NONPROFIT CORP. ACT (1957) (with official forms). Philadelphia: American Law Institute collaborating with the American Bar Association. Handbook D. Pp. xiv, 111.

of the text of the Model Business Corporation Act and the Model Nonprofit Corporation Act and of annotations to those acts which will do the following: (1) compare each model act section with corresponding provisions in the statutes of the various states and territories; (2) analyze briefly the relevant statutory provisions of each state; (3) analyze important court decisions on the subject matter covered by the model act section; (4) comment generally upon the state of the law on that subject; (5) refer to text treatments, digests, law review articles and other source material on the subject; and (6) give citations of relevant statutory provisions in all American jurisdictions.

III. MANUALS AND SERVICES

The 60th edition of the *Corporation Manual*¹⁰ is a compilation of the business corporation laws, blue sky laws and tax laws affecting corporations of all the states, the District of Columbia, Hawaii and Puerto Rico, revised to January 1, 1959. It also contains the Uniform Stock Transfer Act, that part of the Uniform Commercial Code which relates to the transfer of stock, and the Federal Securities Act of 1933, as amended.

The Commerce Clearing House has within the last year commenced publication of a new corporation service, *Corporation Law Guide*.¹¹ This new publication provides a service similar in most respects to that furnished by Prentice-Hall's *Corporation Guide*.¹² It reports new developments in corporation law and other areas of business control of interest to corporate practitioners such as government aid, special opportunities for small businesses, business insurance and corporate finance. Especially important new developments are high-lighted for quick reading in a separate summary which accompanies each report issued by the new service.

IV. CLOSE CORPORATIONS

Since World War II a virtually new form of business organization—the close corporation—has evolved and gained acceptance throughout the legal profession. Members of the corporate bar, exercising considerable imagination and ingenuity, have molded the corporate business form to meet the special needs and problems of closely held enterprises. In their efforts to provide serviceable frameworks for closely held businesses, they have resorted to an interesting array of legal devices—pre-incorporation agreements, special charter and by-law clauses, share transfer restrictions, shareholders' agreements of

10. New York: United States Corporation Co. 1959. 2 vols. \$27.50.

11. Chicago: Commerce Clearing House, Inc. Subscription, \$48.00 per year for two years, payable annually.

12. New York: Prentice-Hall, Inc.

various kinds, voting trusts, irrevocable proxies and long-term employment contracts.

The planning and drafting of these and other instruments are dealt with in the first comprehensive treatment of the problems of close corporations, *Close Corporations: Law and Practice*,¹³ written by F. Hodge O'Neal, Professor of Law at Duke University. This two-volume work contains chapters on the following subjects: "Distinctive Needs of Close Corporations and the General Failure of Legislatures and Courts to Appreciate them"; "Steps Preceding Organization of a Close Corporation"; "Molding the Corporate Form by Charter and By-Law Provision"; "Charter and By-Law Provisions Giving Shareholders a Veto Power"; "Control Distribution Devices: Shareholders' Agreements, Voting Trusts, Irrevocable Proxies, and Management Contracts"; "Protecting the Tenure and Status of Shareholder-Employees and Key Personnel"; "Stock Transfer Restrictions (Including Buy-Out Arrangements)"; "Problems of Operation"; and "Problems of Dissension, Deadlock and Dissolution."

The set also includes selected forms especially prepared to meet the needs of close corporations.

Mention should also be made of the Autumn, 1953, issue of *Law and Contemporary Problems*,¹⁴ which is devoted to a symposium on the close corporation. Although that issue is outside the time limit set for inclusion in this survey, it is mentioned here nevertheless because it is an exceedingly useful compilation of articles in an important field where published materials are in general fragmentary and widely scattered. Other law review materials relating to the close corporation are listed in this article under the heading "Law Review Symposium Issues."¹⁵

V. PROXIES AND PROXY CONTESTS

The first book-length treatment of proxies and the many problems that arise in proxy contests was *Proxy Contests for Corporate Control*,¹⁶ written by Edward Ross Aranow and Herbert A. Einhorn, both

13. Chicago: Callaghan & Co. 1958. 2 vols. Pp. xx, 369; vii, 437. \$30.00. This book has been reviewed by the following: Carrington, 26 TENN. L. REV. 448 (1959); Coker, 34 N.Y.U.L. REV. 799 (1959); Hart, 5 WAYNE L. REV. 278, (1959); Hayes, 12 VAND. L. REV. 306 (1958); Israels, 72 HARV. L. REV. 1187 (1959); Kubicek, 26 U. CHI. L. REV. 347 (1959); Nadler, 21 GA. B.J. 225 (1958); Rubin, 19 LA. L. REV. 233 (1958); Spoerri, 45 A.B.A.J. 1189 (1959).

14. 18 LAW & CONTEMP. PROB. 433-583 (1953). Durham, North Carolina. Duke University School of Law. Single issue price: \$2.50.

15. *Infra* at p. 356.

16. New York City: Columbia University Press. 1957. Pp. xii, 577. \$15.00. This book has been reviewed by the following: Caplin, 71 HARV. L. REV. 1381 (1958); Collins, 2 VILL. L. REV. 580 (1957); Emerson, 10 J. LEGAL ED. 519 (1958); Forer, 31 TEMP. L. Q. 307 (1958); Garrett, 35 TEX. L. REV. 752 (1957); Glenn, 43 VA. L. REV. 794 (1957); Greenbaum, 23 BROOKLYN L. REV. 333 (1957); Halstead, 10 VAND. L. REV. 638 (1957); Jensen, 35 U. DET. L. J. 644 (1958); Latcham, 45 CALIF. L. REV. 224 (1957); Meeker, 26 GEO. WASH. L. REV. 123

of the New York City Bar. Designed to provide a guide for lawyers, house counsel, corporate executives and others who become involved in proxy contests, this volume covers the various steps from the anticipation of and preparation for a proxy contest to the actual conduct of the campaign and the holding of the shareholders' meeting. Reference is made in the volume to appropriate SEC rules and practices, stock exchange rules, state statutes and court decisions. Specimen letters for requests for meetings and for notices of meetings and forms for other documents are included. As J. Sinclair Armstrong, then Chairman of the Securities and Exchange Commission, commented in his introduction to the book, this treatise "should fill a real need in its field and constitute a valuable source book to attorneys, corporate officials, legislative committees and the public as well as to the Commission and the courts."

VI. PRACTICAL BOOKS ON ORGANIZING AND ADVISING BUSINESS ENTERPRISES

A third edition of the popular *Organizing Corporate and Other Business Enterprises*,¹⁷ by Chester Rohrlich of the New York Bar, was published in 1958. This is a thoroughly-documented handbook for lawyers charged with the task of organizing and counseling business enterprises. Included in its contents are discussions of the following subjects: "What To Do About Protecting the 'Idea' and Other Intangibles"; "How Promoters Function"; "Advantages and Disadvantages of Available Forms of Business Organization"; "How to Select the Best Form of Business Organization"; "Considerations in Choosing the Corporate Domicile"; "Suggestions for Handling Incorporation Procedure, Charter and By-Laws"; "Problems of Stock Subscriptions: Promoters' Compensation and Contracts"; "How To Handle the Acquisition of a Going Business"; "What To Do About Initial Capitalization and Financing"; "How To Market Securities Economically"; "When To Use Subsidiaries or Divisions"; and "Factors To Observe in Anticipating the Death of the Owner."¹⁸

The Committee on Continuing Legal Education of the American Law Institute has published two practical how-to-do-it handbooks which are exceedingly serviceable to practitioners called upon to counsel business enterprises. One of these is *Organizational Problems of Small Businesses*¹⁹ by Leonard Sarner of the Philadelphia Bar;

(1957); Sell, 19 U. PITT. L. REV. 179 (1957); Sonnenschein, Jr., 39 CHI. B. REC. 72 (1957); Spoerri, 44 A.B.A.J. 460 (1958); Weiner, 57 COLUM. L. REV. 914 (1957); 20 MODERN L. REV. 671 (1957).

17. Albany, N. Y.: Matthew Bender & Co. 1958. Pp. xii, 534. \$15.00.

18. For an article by Mr. Rohrlich based in part on a chapter from his book, see this issue, *supra* p. 197.

19. Philadelphia: Committee on Continuing Legal Education of the American Law Institute collaborating with the American Bar Association. Revised edition by Howell C. Mette. 1956. Pp. vi, 204. \$3.00.

the other is *Basic Corporate Practice*²⁰ by George C. Seward of the New York Bar. Other handbooks of the Committee on Continuing Legal Education which may be of interest to corporate practitioners are *Basic Pension and Profit-Sharing Plans*, by Leon L. Rice, Jr., of the North Carolina Bar and Edward H. Schlaudt of the New York Bar, and *Federal Income Taxation of Corporations* by Robert T. Molloy of the District of Columbia and New York Bars, both published in 1957.

The Practising Law Institute issues a booklet containing both *Corporate Practice* and *Timing and Procedures in Registering Securities*.²¹ The part of this booklet on corporate practice—the major part of it—was prepared by Carlos L. Israels and Raymond J. Gorman, both of the New York Bar. That part outlines the procedure to be followed in organizing a corporation and discusses some of the problems encountered in setting up the capital structure and management pattern for an enterprise and in preparing the basic incorporation papers. Emphasis is on New York law. Appendices include a chart setting forth stamp taxes on original issues of stock and on transfers of stock, a schedule of costs and requirements when incorporating in various states, a specimen shareholders' agreement, forms for a certificate of incorporation and a set of by-laws, a specimen stock certificate, a specimen stock ledger page, and minutes of organization meetings. A bibliography lists other works which the general practitioner may find useful in the field of corporation law and practice. The last fifteen pages of the monograph are devoted to an article on the registering of securities. That article was prepared by Ralph H. Demmler of the Pittsburgh, Pennsylvania Bar, formerly Chairman of the Securities and Exchange Commission.

A detailed discussion of the problems encountered in organizing and operating small closely held corporations is contained in O'Neal, *Close Corporations: Law and Practice*, which is discussed in this article under the heading "Close Corporations."²² Corporate practitioners, even those who do not practice in California, can also benefit tremendously from a study of the California practice handbook entitled *Advising California Business Enterprises*, which is discussed under the heading "Literature Focusing on the Law of a Particular Jurisdiction."²³ Attention should also be called to Douglas C. Basil, *Organization and Control of the Smaller Enterprise*²⁴ and N. G. P.

20. Philadelphia: Committee on Continuing Legal Education of the American Law Institute collaborating with the American Bar Association. Second edition. 1958. Pp. viii, 168. \$3.00.

21. New York: Practising Law Institute. Revised edition. 1957. Pp. 168. \$2.50.

22. *Supra* at p. 342.

23. *Infra* at p. 353.

24. Minneapolis: The University of Minnesota Press. Pp. vi, 97, \$2.50.

Krausz and F. L. Mann, *Corporations in the Farm Business*.²⁵

VII. SHAREHOLDERS AND THEIR RIGHTS

In the large public-issue corporations, where shares are widely distributed and no one shareholder or group of shareholders owns more than a small percentage of the outstanding stock, the shareholders in general are not an effective force in decision making. Effective control usually rests in the managers who make the decisions and perpetuate themselves in power. Until recently, if shareholders did take an interest in the affairs of one of these large corporations, they might well discover that shareholders' meetings were being held in out-of-the-way places and that their questions and suggestions would be ignored by management.

Recent improvements in the effectiveness of democratic processes in large corporations are often said to be largely attributable to the activities of a single man, Lewis D. Gilbert. He acquired stock in a wide variety of companies and with energy and courage took upon himself the task of representing the interests of the widely scattered stockholders at the annual meetings of those companies. He raised basic questions about cumulative voting, executives' compensation, proxy solicitation and other matters which management might prefer not to consider. *Dividends and Democracy*,²⁶ by Lewis D. Gilbert, is a light and highly readable account of Mr. Gilbert's campaign to return control of some of the giant American corporations to their owners—the shareholders. In this book he tells of his clashes with prominent business executives and documents his thesis that more corporate democracy means more money in the way of corporate dividends for the people who really own the companies.

The American Stockholder,²⁷ by J. A. Livingston, a financial columnist for the *Philadelphia Bulletin*, also discusses the problems of the small shareholder, focusing on the quest for a means of making management more responsive to the needs and desires of the shareholders. Mr. Livingston gives detailed descriptions of recent proxy fights, including Louis Wolfson's attempt to gain control of Montgomery Ward and the Penn-Texas fight for control of Fairbanks-Morse. His conclusion is that despite these greatly publicized battles

25. Urbana, Ill.: University of Illinois College of Agriculture. 1958. Pp. 44. Gratis.

26. Larchmont, New York: American Research Council. 1956. Pp. xiv, 242. \$3.95. This book has been reviewed by the following: Forer, 105 U. PA. L. REV. 1103 (1957); Middleton, 37 B. U. L. REV. 385 (1957); Watkins, 34 U. DET. L. J. 75 (1956).

27. Philadelphia & New York: J. P. Lippincott Co. 1958. Pp. 290. \$4.95. This book has been reviewed by the following: Demmler, 72 HARV. L. REV. 589 (1959); Manne, 5 ST. LOUIS U. L. J. 309 (1958); Manning, 67 YALE L. J. 1477 (1958).

between shareholders and management, the shareholder is still the poor relative in the corporation family.

VIII. STOCK TRANSFERS

Now in its third edition, *The Transfer of Stock*,²⁸ by Frank T. Christy of the New York Bar, is a two volume set designed as a guide for the professional transfer agent. This set discusses in considerable detail the statutes, case law and practice applicable to the issuance of stock certificates and the transfer of stock on corporate books. The book can be useful to brokers and fiduciaries as well as transfer agents.

IX. "DOING BUSINESS" AND RELATED CONCEPTS

Perhaps the question in the business law field most litigated in recent years is: "What constitutes 'doing business'?" This question is often relevant in determining whether a foreign corporation is amenable to service of process and suit in a particular state, whether it can be taxed by a state, or whether it must comply with statutes requiring a foreign corporation doing business in the state to "qualify."

Doing Business in Other States,²⁹ by Mortimer M. Caplin, Professor of Law, University of Virginia Law School, digests decisions of federal and state courts on what constitutes "doing business." The digests are arranged alphabetically by states and subdivided within each state under the headings "process," "taxation," and "qualification." Perhaps "doing business" does not indicate the full extent of this book's coverage; as Professor Caplin points out, the terms used to express the nuances of current thinking of the United States Supreme Court are "substantial connection," "economic activity," or "affiliating circumstances." In addition to the case digests, the book contains a valuable bibliography of books, articles and notes on "doing business."

What Constitutes Doing Business,³⁰ prepared by The Corporation Trust Company, differs somewhat in coverage and in arrangement from the Caplin book. The Corporation Trust Company's book focuses on statutory provisions and on articles relating to the necessity of a corporation's "qualifying" before doing business in a foreign jurisdiction. It reproduces state and territorial statutes and statutes of Canadian provinces which either define what is meant by "doing business" or list specific activities which do not require qualification. It then discusses under headings such as "Advertising," "Aviation Companies," and so on, various activities of a corporation which

28. Mount Kisco, N. Y.: Baker, Voorhis & Co. Third edition. 1958. 2 Vols.

29. New York: United States Corporation Company. 1959. Pp. vii, 221.

30. New York: The Corporation Trust Co. 1958. Pp. 133.

might raise the question of whether it is doing business in a state. These discussions are followed by articles on doing business in territories of the United States, in Canada and its provinces and territories and in the Republic of the Philippines. Near the end of the book, citations to decisions involving service of process and jurisdiction, as distinguished from decisions relating to qualification, are listed under topical headings, grouped according to whether service was sustained or set aside.

X. MERGERS, ACQUISITIONS, AND BUYING AND SELLING BUSINESSES

Dynamic corporate enterprises continue to utilize time-tested devices to promote growth and improve their competitive and technological positions. Mergers, consolidations and acquisition of new interests are transactions resorted to by corporate planners interested in expansion, diversification and integration of business functions. Two recent publications useful to attorneys who may have occasion to consider these devices are the American Management Association's report, *Corporate Mergers and Acquisitions*,³¹ and Allen D. Choka's monograph, *Buying, Selling and Merging Businesses*.³²

The American Management Association's report, a compilation of papers delivered at a conference on the subject, is concerned with financial, legal, operational and policy aspects incident to merger and acquisition. The reports are by corporate executives, attorneys, accountants and business and financial advisers, all of whom have been involved in the planning and carrying out of mergers and purchases of businesses. They discuss the basic considerations commencing with the idea of a merger to problems likely to arise after its completion. One part of the report is devoted to a case study of a merger. The appendix is a "Checklist for Proposed Acquisitions."

Allen D. Choka of the Chicago Bar has, in his monograph *Buying, Selling and Merging Businesses*, made available to the general practitioner a valuable tool to assist in solving problems involved in the purchase and sale of corporate businesses. This book is marked particularly by its practical approach to the complex problems involved in mergers and consolidations. Approaching the problems by means of the check-list method, Mr. Choka includes discussions of such topics as business valuation, taxation, financial statement analysis, contracts and sale of corporate control. Although emphasis is placed on the close corporation, problems of governmental control are also discussed. These include coverage of the SEC, state regulatory commissions, and federal antitrust questions. Contractual prob-

31. New York: American Management Association, Inc. 1958. Pp. 178. \$4.50 (AMA members: \$3.00.)

32. Philadelphia: Joint Committee on Continuing Legal Education of the American Law Institute and the American Bar Association. 1958. Pp. 172. \$3.00.

lems and restrictions are detailed, and two examples of corporate sales contracts are presented.

XI. CORPORATE ACCOUNTING AND FINANCE

Accounting may be defined as the art, science and skill of recording, presenting and interpreting the financial facts of a business enterprise. Legal consequences and relationships and desired legal results frequently depend upon the financial status of a business organization. It is therefore important that attorneys be aware of the accounting and financial aspects of business transactions. Several recent books are of particular value to attorneys engaged in corporate practice, particularly those with occasion to utilize financial statements or those involved in preparation of SEC registration material.

The Law of Accounting and Financial Statements,³³ by George S. Hills of the New York Bar, is designed for both lawyers and accountants involved in the preparation, use, analysis and interpretation of financial statements. The book is legally oriented, presenting legal precedents and discussion. However, resort is frequently made to statements and publications of eminent accountants and of the American Institute of Accountants. The scope of the treatise is broad, including detailed coverage of the various financial statements and the financial transactions reflected therein. This treatise is of great value to the attorney because of its comprehensive treatment of the law of accounting and its utility as a case finder.

Corporate Finance,³⁴ by Elvin F. Donaldson, Professor of Finance at the College of Commerce and Administration at Ohio State University, is a treatise primarily designed for students of corporate finance. The material is presented in a clear, nontechnical style. The topics included are forms of business organization, working capital, administration of income, expansion and combination, and dissolution. Legal and accounting aspects of corporate policy are discussed as well as taxation and its effect upon corporate enterprises. Although knowledgeable attorneys in this area would find this publication of some value, it is particularly directed to those with little background in this complex field.

Louis H. Rappaport's *SEC Accounting Practice and Procedure*³⁵ is of more specialized interest and appeal. Mr. Rappaport, a Certified Public Accountant and partner in a well-known accounting firm, is an experienced practitioner and a specialist in SEC work. Thorough coverage is given to the regulations and requirements of the Securities and Exchange Commission along with illustrations and discussion of

33. Boston: Little, Brown & Co. 1957. Pp. xii, 338. \$10.00.

34. New York: The Ronald Press Co. 1957. Pp. 882, \$7.50.

35. New York: The Ronald Press Co. 1959. Pp. xii, 555. \$15.00.

particular problems in the area. Included are discussions of financial statements, accounting principles, statements before the SEC, and an annotated explanation of various of the pertinent regulations. The appendices are comprised of a bibliography, a list of SEC accounting series releases, and a typical timetable in a 1933 act registration engagement.

XII. SECURITIES REGULATION

Two concise and well-written little books on federal securities regulation are the *Federal Securities Act Handbook*,³⁶ by Eliot B. Thomas of the Philadelphia Bar, and *An Introduction to Securities Regulation*³⁷ by Allen D. Choka of the Chicago Bar. Although neither of these books can take the place of the comprehensive *Securities Regulations*³⁸ by Louis Loss, each is a valuable contribution. The Thomas book is one of the monographs published for general practitioners by the Joint Committee on Continuing Legal Education. It is designed to help the general practitioner to determine whether in a particular situation action before the Securities and Exchange Commission is necessary and advisable, to guide him in taking such action and to provide him with basic information on subjects related to the public offering of securities.

The Choka book, although originally planned for college students in corporate finance, investments or investment banking courses, can also be very useful to law school students and to general practitioners who have not had experience in securities work. It sets forth in nonlegal language the more important features of federal securities regulation. It also contains chapters on the National Association of Securities Dealers and the New York Stock Exchange and touches upon taxes and state laws. Choka crams a tremendous amount of very useful information into 165 short pages.

The only work dealing with state securities laws published during the survey period was *Blue Sky Law*,³⁹ by Louis Loss, Professor of Law at Harvard Law School and Edward M. Cowett of the Massachusetts Bar. This book presents a survey of blue sky law as it is administered and practiced throughout the country as a whole,

36. Philadelphia: Joint Committee on Continuing Legal Education of the American Law Institute and the American Bar Association. 1959. Pp. ix, 181. \$2.50. This book has been reviewed by the following: Mulder, 10 BROOKLYN BARRISTER 196 (1959); 20 GAVEL 24 (1958); 26 J.B.A.D.C. 115 (1959); 27 J.B.A. KAN. 315 (1959); 30 PENN. B.A.Q. 382 (1959); 29 UTAH B. BULL. 35 (1959).

37. Chicago: Twentieth Century Press, Inc. 1958. Pp. iii, 165. \$4.00. This book has been reviewed by Jaimes, 57 MICH. L. REV. 442 (1959).

38. Boston: Little, Brown & Co., 1951. Pp. xxvii, 1283. 1955 Supplement: pp. xxvii, 423.

39. Boston and Toronto: Little-Brown & Co. 1958. Pp. xxi, 503, \$15.00. This book has been reviewed by the following: Bennett, 6 UTAH L. REV. 300 (1958); Crotty, 57 MICH. L. REV. 307 (1958); Farer, 107 U. PA. L. REV. 431 (1959); Lane, CLEV.-MAR. L. REV. 390 (1959); McFerrin, 11 U. FLA. L. REV. 599 (1958); Sowards, 44 IOWA L. REV. 639 (1959); Vineberg, 36 CAN. B. REV. 427 (1958).

containing chapters with the following titles: "Introduction to the Blue Sky Laws"; "Administration"; "Procedure in Registering Securities"; "Civil Liability"; "Conflict of Laws: The Blue Sky Laws in Interstate Contexts"; "Uniformity"; and "Federal-State Coordination." About half the pages in the book are devoted to appendices. Included in these appendices are: "The Uniform Securities Act with Official Comments and Draftsmen's Commentary," "Cross-Reference Tables Showing Extent of Adoption of Uniform Securities Act," "Citations of Blue Sky Laws," "Bibliography on Blue Sky Laws by States," and "Table of Blue Sky Cases by States."

This book does not discuss in a comprehensive way the blue sky law of each individual state. As the authors of the volume point out in their Foreword, it "is not intended to be a treatise on the law or practice in any particular jurisdiction."

XIII. TAX-OPTION CORPORATIONS

The enactment of the Technical Amendments Act of 1958⁴⁰ marked the birth of a new form of business organization: the tax-option, or Subchapter S corporation. This subchapter, added to the Internal Revenue Code as sections 1371 through 1377, enables corporate income and loss to be taxed directly to the shareholders at the election of the corporation, with the consent of all of its shareholders. The provisions of Subchapter S apply only to small business corporations, which are defined as domestic corporations having only one class of stock owned by not more than ten individual shareholders (including estates), none of the shareholders being a nonresident alien.⁴¹ The importance of this subchapter is reflected in the statement of a leading tax law authority that "counsel for virtually every existing closely held business and for every new venture should consider the available forms of business organization in the light of this new subchapter."⁴² Because of the lack of cases, and paucity of rulings and regulations in this area, resort must be primarily directed to the literature. Two particularly useful publications are those issued by the Commerce Clearing House and the Practising Law Institute.

The C.C.H. report, *Tax-Option Corporations*,⁴³ by the editors of the C.C.H. Federal Tax Reporters, discusses the tax, policy, business, and other considerations involved in the exercise of the option. Suggestions are made as to the effect of this option on drafting of corporate agreements, by-laws and certificates, market value of the shares, and pension and profit-sharing plans. The broad topics covered

40. 72 Stat. 1650, particularly § 64.

41. INT. REV. CODE OF 1954, § 1371(a), (c).

42. CORPORATE TAX ELECTION TO PASS INCOME AND LOSS TO SHAREHOLDERS 1 (Anthoine ed. 1959).

43. Chicago: Commerce Clearing House, Inc. 1958. Pp. 96. \$2.00.

are: factors behind the election; rules for making the election; effect on income and stock transfers; termination or revocation; and returns. Included are a full text of the applicable code provisions, temporary rules for making the election, and a topical index. This report is of practical value to the tax expert as well as to corporate and general practitioners.

The Practising Law Institute publication *Corporate Tax Election to Pass Income and Loss to Shareholders*,⁴⁴ reporting on a 1958 tax forum on changes in the law, was edited by Robert Anthoine, Professor of Law at Columbia University and executive editor of the Practising Law Institute's tax monographs. It is devoted exclusively to Subchapter S, except for an appendix discussing the provision of the Technical Amendments Act allowing ordinary deductions for losses on corporate stock. The remaining four appendices contain forms for shareholders' consent to the election and for shareholders' and corporate revocation of election. This report describes in the clear and concise manner typical of P.L.I. monographs the requirements of the new provisions, their consequences, and the effects of election on various other provisions of the code.⁴⁵

XIV. NONPROFIT CORPORATIONS

The rapid, dynamic evolution and growth of nonprofit corporations has been referred to as "one of the socio-legal phenomena of the twentieth century."⁴⁶ As comparatively little has been published in this area, the recent appearance of two books is particularly welcomed. Professor Howard L. Oleck's *Nonprofit Corporations and Associations; Organization, Management, and Dissolution*,⁴⁷ although designed for laymen as well as attorneys, is a well-documented and valuable book for members of the legal profession. Professor Oleck

44. New York: Practising Law Institute. 1959. Pp. iv, 44. \$2.50.

45. Other publications of practical value, concerned with tax aspects of corporate problems include the following: ALL, *FEDERAL INCOME, ESTATE AND GIFT TAX PROJECT, INCOME TAX PROBLEMS OF CORPORATIONS AND SHAREHOLDERS*, Philadelphia, 1958, Pp. 496, \$6.00; HOLZMAN, *CORPORATE REORGANIZATIONS—THEIR FEDERAL TAX STATUS*, New York, The Ronald Press Co., 1956, Pp. 487, \$15.00; LORE, *THIN CAPITALIZATION*, New York, The Ronald Press Co., 1958, Pp. 261, \$10.00; MOLLOY, *FEDERAL INCOME TAXATION OF CORPORATIONS*, Philadelphia, American Law Institute, 1957, Pp. xii, 150, \$3.00; TAX INSTITUTE, *THE EFFECT OF TAX POLICY ON EXECUTIVE AND WORKER COMPENSATION*, Princeton, 1958, Pp. 80, \$4.00. Certain of the tax monographs, published by the Practising Law Institute, New York, pertain to this area. These are: BRYSON & LEFEVRE, *TAX ASPECTS OF EXECUTIVES' COMPENSATION*, 1955, pp. 72, \$2.50; KILCULLEN, *TAXING THE IMPROPER ACCUMULATION OF CORPORATE SURPLUS*, pp. 44, \$2.50; KNAPP, *FORMS OF BUSINESS ORGANIZATION AND THE FEDERAL TAX LAWS*; pp. 146, \$2.50; McDONALD, *CORPORATIONS AND CORPORATE DISTRIBUTIONS*; STINSON & ANTHOINE, *TAX FREE EXCHANGES*. A valuable index to available current publications in the corporate tax area is the *Tax Institute Bookshelf*, published monthly by the Tax Institute, Inc., Princeton, New Jersey, single copy \$1.00.

46. OLECK, *NONPROFIT CORPORATIONS AND ASSOCIATIONS* v (1956).

47. Englewood Cliffs, New Jersey: Prentice Hall, Inc., 1956. Pp. xvi, 460.

distinguishes between charity or public-benefit organizations and those formed merely for "not-for-profit" purposes, e.g., clubs, fraternal societies, and trade associations. A substantial part of the treatise is devoted to the organizations formed for the latter purposes, although discussion is devoted to public benefit corporations as well. Topics include: "Governmental Regulations and Control"; "Steps Necessary for Organization and Incorporation"; "Operation"; "Potential Prospective Litigation"; and, "Special Organizations and Special Problems." Examples of suggested forms, by-laws, and minute books are included in the appropriate sections. The book concludes with a proposed Uniform Nonprofit Organizations Act. Mr. Oleck compares his act to the American Bar Association's Model Act of 1952 and indicates that his Act "represent[s] a very different approach to the problem." "There is no doubt," he continues, "that the need for adoption of some uniform statute on nonprofit organizations is becoming acute."⁴⁸

Ralph E. Boyer, Professor of Law at the University of Miami School of Law, concurs in this view of the need for a uniform statute in his treatise, *Nonprofit Corporation Statutes*,⁴⁹ a careful, accurate analysis of the nonprofit corporation statutes of the State of Michigan. After discussing Michigan nonprofit corporations in general, and cooperatives, fraternal, religious, and other similar organizations specifically, Professor Boyer proposes a Nonprofit Corporation Act for Michigan based on the present sections of the Michigan General Corporation Act. His objective is improvement and simplification of the nonprofit corporation statutes in Michigan. However, he succeeds as well in furnishing a model act which will be of assistance in other states.

Legal Instruments of Foundations,⁵⁰ by F. Emerson Andrews, is an interesting compilation of fifty-eight documents from forty-nine different foundations. Included are such instruments as the Ford Foundation's agreement with consultants, the Field Foundation's outline for grant applicants and the Commonwealth Fund's publishing agreement. This book is designed for persons who are setting up foundations, their lawyers and bank advisers, and for the trustees and staffs of existing foundations who want to compare their documents with those of other foundations.

XV. LITERATURE FOCUSING ON THE LAW OF A PARTICULAR JURISDICTION

The Wisconsin Business Corporation,⁵¹ by George J. Kuehml of

48. OLECK, *NONPROFIT CORPORATIONS AND ASSOCIATIONS* 418 (1956).

49. Ann Arbor: University of Michigan Law School. 1957. Pp. x, 269. \$5.00.

50. New York: Russell Sage Foundation. 1958. Pp. 318. \$4.50.

51. Madison, Wisconsin: The University of Wisconsin Press. 1958. Pp. 296. \$6.50.

the Racine, Wisconsin Bar, reviews a growth of the business corporation in Wisconsin from territorial times up to the pre-La Follette era of 1872, presenting a comprehensive picture of legislative endeavors during the formative period in the development of the Wisconsin business corporation. The author's analysis begins with the corporate problems of the territory and proceeds to the Wisconsin constitutional conventions which exercised a significant influence on the pattern of the state's corporate policy.

A number of books setting forth the corporation laws of an individual state, usually annotated, have been published in recent years. Thus, the Corporation Trust Company⁵² has published *Delaware Corporation Law Annotated*,⁵³ tenth edition, by Berl, Potter and Anderson; *Corporation Laws of New York—1958*;⁵⁴ *Corporation Laws of Pennsylvania—1957*.⁵⁵ United States Corporation Company has a 1959 edition of *New York Laws Affecting Business Corporations*;⁵⁶ and Commerce Clearing House, Inc. has a two-volume service, *New York Corporation Law*.⁵⁷ Other books on local law include Townsend, *Ohio Corporation Law, Practice and Forms*⁵⁸ and Stuetzer, *Massachusetts Taxation of Corporations*.⁵⁹

California Practice Handbook No. 9, *Advising California Business Enterprises*,⁶⁰ is a large and exceedingly useful tome sponsored by the State Bar of California through University Extension of the University of California. This volume, prepared under the guidance of Felix F. Stumpf, who has done such a tremendous job with continuing legal education in California, focuses on business counseling and preventive law. Although prepared by members of the California Bar and designed primarily for California practitioners, the articles in this book can supply new ideas and useful guidance to lawyers in all parts of the country. The articles contained in this volume have the following titles: "Business Management and Organization"; "Bank Financing of Business Enterprises"; "Selecting the Form of Entity"; "State and Local Taxes Affecting California Business"; "Labor Relations for Lawyers"; "Patents, Trademarks, and Copyrights"; "Formation of General and Limited Partnerships"; "Formation of Professional or Personal Service Partnerships"; "Income Tax Aspects of Partnerships"; "Partnership Dissolution Agreements, Formation of Corporations"; "Practical Problems of Organizing Closely Held Corporations";

52. A New York corporation.

53. New York: The Corporation Trust Company. 1957. Pp. 400.

54. New York: The Corporation Trust Company. 1958.

55. New York: The Corporation Trust Company. 1957. Pp. 100.

56. New York: United States Corporation Company. 1958. Pp. xxiii, 735.

57. New York: Commerce Clearing House, Inc. 1958. 2 vols.

58. Cleveland: Banks-Baldwin Law Publishing Company. 1956.

59. Boston: Little, Brown & Co. 1958. Pp. 143. \$4.00.

60. Berkeley, California: University Extension, University of California. 1958. Pp. ix, 1252.

"Income Tax Aspects of Organizing Corporations"; "Methods of Financing Corporate Business"; "Issuance of Securities Under the California Corporate Securities Law"; "Tax Aspects of Securing Permits and Issuing Stock in California"; "Federal Regulation of Corporate Securities"; "Common Operating Aspects of California Corporations"; "Corporate Employment Contracts"; "Qualified Retirement Plans"; "Compensating Corporate Executives"; "The Alter Ego Doctrine in California"; "Dealings of Directors and Officers with Their Corporation and Its Shareholders"; "Shareholders' Actions Against Corporations"; "Corporate Purchase of Own Shares"; "Corporate and Partnership Buy and Sell Agreements"; "Purchase and Sale of a Business"; "Merger and Consolidation Under California Law"; "The Dissolution of Corporations under California Law"; and "Tax Aspects of Dissolution."

Somewhat similar literature has been prepared for the continuing education of Wisconsin lawyers. *Business Organization*,⁶¹ by Kenneth K. Luce of the Milwaukee Bar, discusses considerations involved in deciding whether to incorporate an enterprise or to organize it as a partnership, matters to watch in drafting partnership articles, typical problems encountered in organizing a corporation, restrictions on the transfer of shares, and buy-and-sell agreements. This booklet also contains specimen documents including forms for articles of incorporation, initial meetings of subscribers and directors, and a voting agreement. *Advising Businesses*,⁶² by J. F. Federer of the Sheboygan, Wisconsin Bar, and Kenneth M. McLeod of the Fond du Lac, Wisconsin Bar, covers such questions as a corporation's purchase of stock from a shareholder, a corporation's issuing preferred stock as a stock dividend on common, sale of a corporate business, profit-sharing and pension plans, charitable foundations, doing business in other states, business leases, and labor-management relations.

Michigan's nonprofit corporation statutes are analyzed in Ralph E. Boyer's *Nonprofit Corporation Statutes*. That book is discussed in this article under the heading "Nonprofit Corporations."⁶³

XVI. PERIODICALS SPECIALIZING IN CORPORATIONS

The first issue of a new periodical devoted exclusively to corporations and corporate practice, the *Corporate Practice Commentator*,⁶⁴ was published in May, 1959. A quarterly edited by F. Hodge O'Neal, the *Commentator* is designed to bring busy lawyers and corporate ex-

61. Madison, Wisconsin: University of Wisconsin Extension Division. 1958. Pp. 61.

62. Madison, Wisconsin: University of Wisconsin Extension Division. 1958. Pp. iv, 174.

63. *Supra* at p. 352.

64. Chicago: Callaghan & Co. \$20.00 per year.

ecutives concise and reliable information on significant developments and new thinking in the field of corporation law. Primary emphasis is placed on corporation law and practice in the narrow sense, but considerable attention is also given antitrust questions, executives' compensation, fair trade legislation and other matters arising out of business activity. The *Commentator* focuses on counseling rather than on advocacy, on preventive law rather than on curative law and on ideas and trends rather than on either traditional doctrine or how-to-do-it gimmicks.

Although the *Business Lawyer*⁶⁵ is now in its fourteenth volume, special mention must be made in this survey of that publication, a quarterly law journal published by the Section of Corporation, Banking and Business Law of the American Bar Association and devoted to practical problems of special interest to business lawyers. During the last few years that publication has established itself as an invaluable aid to corporate practitioners and even to law teachers and to persons in the financial and business world. Its issues regularly contain carefully prepared articles by the leaders of the corporate bar.

XVII. LAW REVIEW SYMPOSIUM ISSUES

A number of law reviews have published symposia on corporations or on some aspect of corporation law. Duke's *Law and Contemporary Problems* devoted its Spring 1958 issue to "The New Look in Corporation Law."⁶⁶ That issue contains the following articles: Melvin G. Shimm, "Foreword"; Wilber G. Katz, "The Philosophy of Midcentury Corporation Statutes"; Richard W. Jennings, "The Role of the States in Corporate Regulation and Investor Protection"; Frank D. Emerson, "The Roles of Management and Shareholders in Corporate Government"; Ray Garrett, "Capital and Surplus Under the New Corporation Statutes"; William D. Ford, "Share Characteristics Under the New Corporation Statutes"; George D. Gibson, "How Fixed Are Class Shareholder Rights?"; Norman D. Lattin, "Minority and Dissenting Shareholders' Rights in Fundamental Changes"; George T. Frampton, "Indemnification of Insiders' Litigation Expenses"; F. Hodge O'Neal, "Recent Legislation Affecting Close Corporations"; Elvin R. Latty,

65. Chicago: Section of Corporation, Banking and Business Law, American Bar Association. The *Business Lawyer* is distributed free to members of the Section of Corporation, Banking and Business Law. Any person who is not eligible to become a member of the American Bar Association, or any institution may obtain for \$6.00 per year an annual subscription to the *Business Lawyer* or he may subscribe to that publication under the American Bar Association "package plan" which includes subscriptions to all American Bar Association publications offered by the American Bar Association, 1155 East 60th Street, Chicago 37, Illinois.

66. 23 LAW & CONTEMP. PROB. 175-398 (1958). Duke University School of Law, Durham, North Carolina. Single issue price: \$2.50.

"Some Miscellaneous Novelties in the New Corporation Statutes."

The *University of Illinois Law Forum* in its Spring 1958 issue dealt with "Business Continuity; Legal Problems and Planning"⁶⁷ and in its Winter 1958 issue with "Businesses in Difficulty."⁶⁸ The Spring 1958 issue contains the following articles: Richard E. Murphy, Jr., "Introduction to Management Compensation"; Robert L. Farwell, "Deferred Compensation"; Richard Grossman and Leo Herzel, "Employee Stock Options"; William C. Childs, "Control of Transfer of Business Interests"; George S. Hoban, "Voting Control Methods."

Articles in the Winter 1958 issue of the *Forum* are as follows: John E. Boetcher, "Recognizing the Problem"; Edward J. McGowan, "Voluntary Arrangements to Save a Business"; George T. Frampton, "Legal Aspects of the Primary Problem: Getting Capital"; DeForest Billyou, "Corporate Reorganization Under State and Federal Statutes"; William B. Davenport, "Businesses Beyond Help: Liquidation and Winding Up."

The *Western Reserve Law Review* in its January 1959 issue carried a survey entitled "Tax Problems of Close Corporations; Buying and Selling a Corporate Business."⁶⁹ One of the two long corporation articles in this issue is a 110-page discussion of tax problems of close corporations, written by Hugh Calkins, Barrington Coughlin, Warren E. Hacker, Fred D. Kidder, Norman A. Sugarman, and Philip J. Wolf, all of the Cleveland Bar. The other article is a 40-page survey of the tax and nontax problems involved in buying or selling a corporate business, written by Theodore R. Colborn, William H. Fleming, Richard Katcher, and Robert L. Merritt, all of the Cleveland Bar.

The *University of Florida Law Review* published a symposium on "Corporation Law" in its Winter 1958 issue.⁷⁰ The issue contains the following articles: Ray W. Richardson, Jr., "Formation of Corporations in Florida"; Leonard S. Powers, "Cross Fire on the Close Corporation: Norms Versus Needs"; Robert B. Mautz, Gerald W. Rock, "The Wages of Management"; James J. Freeland, Richard B. Stephens, "The Commissioner and the Corporation"; and a Book Review, by John B. McFerrin, of Loss and Cowett, *Blue Sky Law*.

The October, 1959 issue of the *George Washington Law Review* is devoted to a Silver Anniversary Commemorative Symposium on the Securities and Exchange Commission.⁷¹ This 400 page plus issue con-

67. 1958 U. ILL. L.F. 1-132 (1958). University of Illinois College of Law. Urbana, Illinois. Single issue price: \$1.50.

68. 1958 U. ILL. L.F. 497-627 (1958). University of Illinois College of Law. Urbana, Illinois. Single issue price: \$1.50.

69. 10 W. RES. L. REV. 1-161 (1959). Western Reserve University School of Law. Cleveland, Ohio.

70. 11 U. FLA. L. REV. 395-602 (1958). College of Law of the University of Florida. Gainesville, Florida. Symposium issue price: \$2.00.

71. 28 GEO. WASH. L. REV. 1 (1959). George Washington University. Washington, D.C. Symposium issue price: \$4.00.

tains, in addition to a foreword by the Honorable William O. Douglas, Associate Justice of the United States, the following articles: Edward N. Gadsby, "Historical Development of the S.E.C.—The Government View"; Milton V. Freeman, "A Private Practitioner's View of the Development of the Securities and Exchange Commission"; James M. Landis, "The Legislative History of the Securities Act of 1933"; Andrew Downey Orrick, "Organization, Procedures and Practices of the Securities and Exchange Commission"; Thomas A. Halleran and John N. Calderwood, "Effect of Federal Regulation on Distribution of and Trading in Securities"; Manuel F. Cohen, "Federal Legislation Affecting the Public Offering of Securities"; Andrew Barr and Elmer C. Koch, "Accounting and the S.E.C."; John R. Stevenson, "Legal Aspects of the Public Offering of Foreign Securities in the United States Market"; Philip A. Loomis, Jr., "The Securities Exchange Act of 1934 and the Investment Advisers Act of 1940"; Marc A. White, "National Association of Securities Dealers, Inc."; Lawrence M. Greene, "Fiduciary Standards of Conduct Under the Investment Company Act of 1940"; Edward M. Cowett, "Federal-State Relationships in Securities Regulation"; Edward Ross Aranow and Herbert A. Einhorn, "Proxy Regulation: Suggested Improvements"; David Ferber, Arthur Blasberg and Melvin Katz, "Conflicts of Interest in Reorganization Proceedings under the Public Utility Holding Company Act of 1935 and Chapter X of the Bankruptcy Act." Appendices include a "Selected Bibliography Including Legislative History of the Securities and Exchange Commission and the Statutes It Administers," a copy of the Securities Act of 1933, a copy of the Securities Exchange Act of 1934, a copy of the Trust Indenture Act of 1939 and a chart showing present and past membership of the Securities and Exchange Commission.

Two student symposia on the close corporation have been written during the last few years. One of these was published in the *Northwestern Law Review*,⁷² the other in the *New York University Law Review*.⁷³

XVIII. TEACHING MATERIALS

Two excellent sets of teaching materials on the law of corporations have been published during the last few months. One is Baker & Cary, *Cases and Materials on Corporations*, third edition.⁷⁴ This book is more than a revision of the second edition of Dodd and Baker, *Cases and Materials on Corporations*, published in 1951. It contains an extensive amount of new material and departs widely from the

72. 52 Nw. U.L. REV. 345-413 (1957). Northwestern University School of Law, Chicago, Illinois. Single issue price: \$1.50.

73. 33 N.Y.U.L. REV. 700 (1958). New York University School of Law, Washington Square South, New York 3, N. Y. Single issue price: \$2.00.

74. Brooklyn: The Foundation Press Inc. 1958. Pp. xxxvii, 1567, 86, 16.

old version in organization. As the authors point out, the book distinguishes carefully between the problems of closely held corporations and those of public-issue corporations. It places emphasis throughout on (1) counseling and planning of corporate transactions, (2) the business background of corporate problems, (3) statutory developments, and (4) social and policy considerations. This set of materials has also been published in an abridged version.⁷⁵

The most recent book of teaching materials is Lattin and Jennings, *Cases and Materials on Corporations*, third edition.⁷⁶ Although there are no drastic structural changes in the organization of this book from the Ballantine, Lattin and Jennings, second edition, which appeared in 1953, nevertheless the new version contains a considerable amount of new material which reflects the tremendous developments taking place in the corporation field. Included for instance is a discussion of the 1958 amendments to the Internal Revenue Code providing for tax-option corporations. This book, just as the Baker & Cary book, lays stress upon the planning aspects of modern corporate practice and especially on planning and drafting for the close corporation.

Although these two new casebooks provide splendid materials for the teaching of the basic business association or corporations course, and actually considerably more pages than most teachers can cover in the ordinary three or four semester hour course, no ambitious teacher who wants to prepare his own materials need bemoan that fact. The introduction in many law schools of advanced and specialized courses in the broad field of corporation law and practice has created a need for modern, topflight sets of teaching materials in corporate planning and drafting, in corporate finance and in securities regulation—materials which as yet have not been prepared.

75. Brooklyn: The Foundation Press Inc. 1959. Pp. xxxviii, 1114, 62, 17.

76. Chicago: Callaghan & Co. 1959. Pp. xviii, 1469.