

delivery of the commodity, or instruct the firm to sell the commodity and remit the profit to him. If the value has dropped, the deposit is forfeited.

A major difference between these contracts and true "deferred delivery contracts" is that in a true deferred delivery contract, the purchaser is obligated to pay the balance due on the future date and, therefore, has much more to risk than just the "deposit."

The problem, according to the commissioner, is that many of these firms have only recently been organized and may not be in business when the time comes to settle the contract. The firm may not be purchasing the precious metal or foreign currency to back up the contract with the investor. Instead, the firm may be operating a Ponzi fraud scheme — which relies on sales to later investors for funds to pay earlier investors. One firm has claimed its gold is stored in a

European bank which does not exist. If such a firm is thinly capitalized and cannot generate sufficient new sales, it will go out of business.

The questionable firms sell by means of high pressure telephone solicitors, not licensed with or regulated by any state or federal agency. These salesmen usually guarantee fabulous profits in a short amount of time. The investor is urged to make a hasty investment decision based largely upon these oral telephone representations and general information sent by mail.

As with most "get rich quick" schemes, the ones who get rich are the promoters. Even if the seller is still in existence at the time for settling the contract, hidden, unjustified service charges and faulty execution of customers' orders make it unlikely that investors will actually receive any profit from the transaction.

Livestock



Cattleman blasts 'beefless Wednesdays'

A call for "beefless Wednesdays" represents yet another ill-conceived attempt to vent the nation's frustration with inflation on a single commodity.

That's the opinion of John B. Armstrong, president of the Texas and Southwestern Cattle Raisers Association. He's referring to a campaign by the New York City Department of Consumer Affairs that calls for consumer boycotts of beef on Wednesdays. He also criticized government officials who have "highlighted" beef prices as a leading contributor to inflation.

"Consumers and government officials must realize that beef prices do not cause inflation. Inflation is caused by continued deficit spending by government, unfavorable foreign trade balances and union wage demands which exceed increased productivity," Armstrong says.

The leader of 13,000 livestock producers in Texas, Oklahoma and surrounding states called for a hands-off attitude from government and challenged consumers to sharpen their shopping skills.

"The lesser-priced beef cuts

like stew meat, liver and the variety meats are just as nutritious as the higher-priced cuts. Consumers should also consider alternate ways of cooking," Armstrong suggests.

The cattleman emphasizes that one hour's wages, after taxes, today will buy the average American consumer one and two-thirds pounds of beef, compared to nine-tenths pound in 1949.

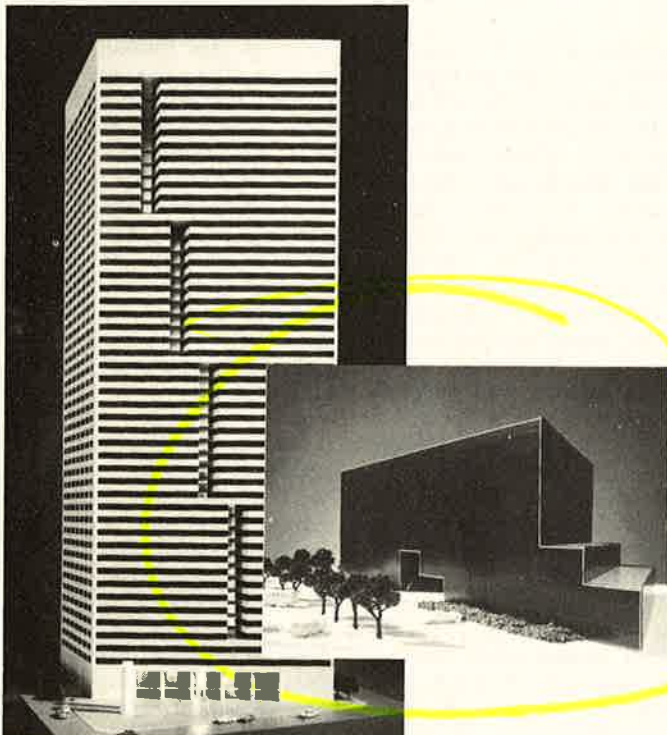
"The fact remains that only in recent months have beef prices, from farm to retail, begun to catch up with other prices. For the last five years, cattlemen have been subsidizing consumers with bargain prices while they, in turn, have taken a financial bloodbath," Armstrong maintains.

The only long-term solution to rising beef prices, according to Armstrong, is the rebuilding of the nation's cattle herds.

Cattlemen are rebuilding their herds, down eight-million head from 1974, but warn any attempts to hold beef prices through boycotts and price ceilings — as was done in 1973 with disastrous effects — would force further reductions and higher beef prices.

"All that we, as cattle producers, want from anyone is the freedom to conduct our business within the economic framework of supply and demand. It's the American way," Armstrong says.

Two more strange shapes to materialize in Houston



As anyone familiar with Houston is well aware, the Bayou City is unlike any other metropolis on earth. One characteristic that sets Houston apart from more mundane cities: The odd designs of some of its office buildings, which serve as a welcome contrast to the monotonous box-like shapes that dominate other skylines.

Two new buildings in the works in Houston: The 49-story parallelogram-shaped First City Tower and the six-story trapezoid-shaped Sirrine Building.