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FORM 4 OMB Approval

U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

OMB Number 323 5-0287

Expires: September 30, 1998

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[ ] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

(Print or Type Responses)

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities and Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person	2. Issuer Name and Ticker or Trading Symbol	6. Relationship of Reporting Person(s) to Issuer (Check all applicable)
Reginald B. Newman II	Rand Capital Corp. -- RAND	__X___ Director __X___ 10% Owner
(Last) (First) (Middle)	3. IRS or Social Security Number of Reporting Person (Voluntary)	4. Statement for Month/Year January 1999
2440 Sheridan Drive		_____ Officer (give title below)
(Street)		5. If Amendment, Date of Original (Month/Year)
Tonawanda NY 14150		_____ Other (specify below)
(City) (State) (Zip)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2.Transaction Date (Month/Day/ Year)	3.Transaction Code (Instr. 8)	4.Securities Acquired(A) or Disposed of (D) (Instr. 3, 4, and 5)			5.Amount of Securities Beneficially Owned at End of Month	6.Owner-ship Form: Direct (D) or Indirect (I)	7.Nature of Indirect Bene-ficial Owner-ship (Instr.4)
		Code V	Amount (A) or (D)	Price				
Common Stock	1/4/99	P	7,000	A	$0.8125	776,050	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. (Over)

*If the Form is filed by more than one reporting person see Instruction 4(b)(v).

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