

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



Washington 25, D.C.

(In ordering full text of Releases from Publications Unit, cite number)

FOR RELEASE July 20, 1962

EKCO PRODUCTS PROPOSES DEBENTURE OFFERING. Ekco Products Company, 1949 North Cicero Avenue, Chicago, filed a registration statement (File 2-20587) with the SEC on July 19th seeking registration of \$15,000,000 of sinking fund debentures due 1987, to be offered for public sale through underwriters headed by Lehman Brothers, One William Street, New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are primarily engaged in the manufacture and sale of housewares, bakeware, pans, builders hardware and rigid aluminum foil containers. In 1955 Ekco-Alcoa Containers, Inc. was organized by the company and a subsidiary of Aluminum Company of America as an equally owned corporation to continue the business of manufacturing and selling rigid aluminum foil containers started by the company in 1952. In May of 1962 the company purchased Alcoa's 50% interest for \$14,000,000 and changed the name of the corporation to Ekco Containers, Inc. Of the net proceeds from the debenture sale, \$3,368,350 will be used to retire outstanding notes, \$6,000,000 to prepay short-term bank loans (incurred to reimburse the treasury with a portion of the funds used in the purchase of the 50% interest in Ekco Containers), and the balance for working capital and other corporate purposes.

VENTURE FUND AND STRATFORD CAPITAL SEEK ORDERS. Venture Fund, Incorporated, Minneapolis, and Stratford Capital Corporation, New York, have applied to the SEC for orders under the Investment Company Act declaring that they have ceased to be investment companies; and the Commission has issued orders (Releases IC-3502 and IC-3503) giving interested persons until August 2nd and July 23rd, respectively, to request hearings thereon. According to the application filed by Venture Fund, it has withdrawn a registration statement filed under the Securities Act and does not intend to make any public offering of its common shares, and thus does not contemplate that its outstanding stock will be owned by more than 100 persons in the foreseeable future (it now has 14 shareholders). In its application, Stratford Capital states that it has only one stockholder (its president) and that it intends to dissolve.

TRADING BAN IN TWO STOCKS CONTINUED. The SEC has issued orders suspending trading in the common stocks of E. L. Bruce Co. (Inc.) and Precision Microwave Corp. on the American Stock Exchange and over-the-counter market for an additional ten-day period, July 23 to August 1, 1962.

HARRY ODZER CO. ENJOINED. The SEC New York Regional Office announced July 18th (Lit-2317) the entry of a Federal court order (USDC SDNY) preliminarily enjoining Harry Odzer Company, 67 Broad St., New York, from violating the bookkeeping, net capital and anti-fraud provisions of the Securities Exchange Act.

ANTILLES ELECTRONICS OFFERING SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by Antilles Electronics Corporation, San Lorenzo, Puerto Rico.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed on May 8, 1961, Antilles proposed the public offering of 100,000 shares of Class A common stock at \$3 per share for an aggregate amount of \$266,454 (11,182 shares were reserved for issuance without cost to previous purchasers of common stock at \$5 per share). The offering was made on a best efforts basis by Fraser & Company, Inc., of Philadelphia. The Commission asserts in its suspension order that it has reasonable cause to believe that certain terms and conditions of the Regulation were not complied with and that the company's offering circular was false and misleading in respect of certain material facts. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

According to the order, the company did not comply with the Regulation in that it failed to file a report giving information as to the number of shares sold and the use of the proceeds. The alleged misrepresentations relate to the company's failure to use the offering proceeds for the purposes set out in the offering circular; the failure to disclose material transactions between the company and the underwriter which resulted in the proceeds being used by the underwriter for its own benefit; and the failure to comply with the terms of the underwriting agreement as set out in the offering circular.

SEC ORDER CITES ALEX. HAMILTON INVESTMENT. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Alexander Hamilton Investment Co., Inc. ("Registrant"), of 67 East Madison St., Chicago, violated certain provisions of the Act and rules thereunder and, if so, whether its registration as a broker-dealer should be revoked.

Alexander Hamilton Investment has been registered with the Commission as a broker-dealer since May 19, 1961; and Donald Alan Smith is president and owner of 50% of its common stock. In its order, the Commission recites charges of its staff that information developed in an investigation tends to show that registrant and Smith made false and misleading statements in a report of registrant's financial condition filed as a supplement to its registrant application, particularly with respect to the assets, liabilities and capital of registrant. Failure to file a certified statement of Registrant's financial condition within one but not in excess of five months of registration also is charged.

OVER

A hearing will be held, at a time and place to be announced, for the purpose of taking evidence to determine whether the staff charges are true and, if so, whether the broker-dealer registration of Alexander Hamilton Investment should be revoked. Registrant is a member of the National Association of Securities Dealers, Inc.; and one of the issues in these proceedings is whether it also should be suspended or expelled from NASD membership.

ARMSTRONG - SAPORTA HEARING SCHEDULED. The Commission also has scheduled a hearing for 10:00 A.M., August 14, 1962, in its New York Regional Office in the proceedings under the Securities Exchange Act to determine whether the broker-dealer registration of Armstrong & Co., Inc., 15 William Street, New York, should be revoked, and whether an application for broker-dealer registration filed by Benjamin Saporta, doing business as Benjamin Saporta & Co., 104-40 Queens Blvd., Kew Gardens, N. Y., should be denied. Upon the request of Saporta, the Commission postponed the effective date of his registration application pending hearing and decision on the question of denial. In its order of July 13, 1962 authorizing the proceedings, the Commission recited charges of its staff that Armstrong & Co. and Saporta (one of its salesmen) engaged in "fraud and deceit" in the offer and sale of common stocks of Precision Metal Products, Inc. and Triangle Instrument Co., Inc.

INSTITUTIONAL INVESTOR QUESTIONNAIRE. The SEC Special Study of Securities Markets announces (For Newspapers of Monday, July 23d) that forms designated IN-1, 2 and 3, and a questionnaire designated IN-4, have been mailed to selected samples of institutional investors (return date August 27th). Forms IN-1, 2 and 3 have been mailed to about 166 institutions, including life insurance companies, fire and casualty insurance companies, corporate non-insured pension funds, charitable foundations, college endowment funds, bank common trust funds, and closed-end investment companies. The Investment Company Institute is assisting the Special Study in obtaining and assembling similar data from a sample of open-end investment companies. Institutions receiving Forms IN-1, 2 and 3 are asked to report their purchases and their sales in the aggregate for all common stocks, also for all common stocks listed on the New York Stock Exchange, and also separately for eight selected common stocks, for the following periods: monthly from September 1961 through March 1962; weekly from April through June 1962; and for 19 selected days during the period November 1961 through June 1962, including the days of May 28, 29 and 31, 1962. The eight selected stocks are: American Telephone & Telegraph Co., AVCO Corp., Brunswick Corporation, General Motors Corp., Korvette (E.J.) Inc., International Business Machines Corp., Standard Oil Co. of New Jersey and U. S. Steel Corp. The selected days and the eight stocks are the same as are used in Forms EX-5 and EX-6 directed to members of the New York Stock Exchange with regard to their off-floor trading (see Special Market Study Release No. 15), and in other current studies.

Questionnaire IN-4 is being mailed to a smaller sample of approximately 95 institutions. The group receiving IN-4 includes institutions in each of the categories mentioned above, including open-end investment companies. The purpose of the questionnaire is to obtain general information about the practices of these various institutional investors relating to execution of transactions in common and preferred stocks. Institutions receiving IN-4 are asked: to describe their practices and criteria in deciding how purchases and sales of portfolio stocks shall be effectuated (as distinguished from deciding what purchases and sales should be made); to supply details as to their portfolio transactions in stocks during the months of March 1961 and April 1962 and as to their largest block transactions during 1961; to report each of their portfolio transactions in "new issues" of stocks during 1961; and to give certain information regarding the commissions paid to, and business relationships with and services received from, broker-dealers. The respondents are also asked to state any suggestions they have for changes in the practices, procedures, or structures of the various securities markets which in their opinion would make these markets better adapted to their use and needs.

SECURITIES ACT REGISTRATIONS. Effective July 20: Genesco, Inc. (File 2-20463); Westfalls Shopping Center Limited Partnerships (File 2-19298). Withdrawn July 20: Lockwood Grader Corp. (File 2-19805).

---ooo0ooo---