

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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MASSACHUSETTS INVESTORS GROWTH SEEKS EXEMPTION. Massachusetts Investors Growth Stock Fund, Inc., Boston open-end diversified investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to its proposal to issue its shares at other than the current public offering price in exchange for substantially all of the assets of Lloyd S. Thornton Company. The Commission has issued an order (Release IC-5049) giving interested persons until August 22 to request a hearing thereon. Thornton, a Michigan corporation, is a personal holding company whose outstanding shares are held by two individuals. Its assets of approximately \$946,652 will be transferred to Massachusetts Investors in exchange for shares of its capital stock.

LANIER AIRCRAFT CORP., OTHER, ENJOINED. The SEC New York Regional Office announced July 25 (LR-3780) that the Federal Court in Camden, N. J. had issued an order permanently enjoining Lanier Aircraft Corporation and its president, Edward M. Lanier, from further violations of the registration provisions of the Securities Act in the offer and sale of the common stock of Lanier Aircraft Corporation. The defendants consented to the entry of the decree.

SEC COMPLAINT NAMES INTERAMERICAN INDUSTRIES, OTHERS. The SEC New York Regional Office announced July 31 (LR-3781) the filing of a complaint in the Federal court in New York City seeking to enjoin Interamerican Industries, Ltd., of Calgary, Alberta, Canada; Trust Company of the Americas, S.A., a Panamanian corporation; and Oscar L. Hausner, of White Plains, New York, who is president of Trust Company of the Americas, S.A., from further violations of the registration provisions of the Securities Act in the offer, sale and delivery of the common stock of Interamerican Industries, Ltd.

MISSOURI MINES PROPOSES OFFERING. Missouri Mines Inc., 55 Liberty St., New York, filed a registration statement (File 2-27016) with the SEC on July 26 seeking registration of 400,000 shares of common stock, to be offered for public sale at \$1 per share. The offering is to be made on a best efforts basis by Rosmar Corporation Limited, Suite 805, 100 Adelaide Street West, Toronto, Ontario, Canada, except for 75,000 shares for which the underwriter has a purchase commitment. The underwriter will receive a 25% selling commission, plus 5% for expenses. The underwriter also has received, as a donation from Maurice Schack, an officer of the company, 50,000 outstanding shares (also included in the registration statement); and it proposes to sell one such share for each five shares sold in behalf of the company.

The company was organized under Delaware law in 1961 to engage in the business of exploration for and development of mining property. It owns a mining property formerly known as the Missouri Mine about four miles south of Montezuma in Summit County, Colo.; and it has leases on properties in Clear Creek County, Colo. All were acquired from Schack, the company's promoter, of Forest Hills, N.Y., whose "out-of-pocket" expenses in connection with the property transferred to the company were about \$11,500. For such transfer, Schack received 787,500 shares of stock of the company. Net proceeds of the company's sale of additional stock will be applied primarily to exploratory work on its properties. According to the prospectus, if ore bodies are found, "the bulk of any dividends and profits will go to the promoters, whose out-of-pocket expenses in connection with the registrant's properties was approximately 1.45 cents per share." The prospectus lists Louis H. Nerlich of Willowdale, Ontario, as president.

TELEPROMPTER FILES FOR SECONDARY. Teleprompter Corporation, 50 West 44th St., New York 10036, filed a registration statement (File 2-27027) with the SEC on August 1 seeking registration of 40,000 shares of common stock. These shares may be offered by the holders thereof from time to time on the American Stock Exchange or over-the-counter, either directly or through brokers or to dealers, or in private sales or otherwise, at prices current at the time of sale (\$35.00 per share maximum*).

The company's principal activity is the ownership and operation of community antenna television (CATV) systems in sixteen communities, not including a number in various stages of construction throughout the United States. In addition to indebtedness, it has outstanding 991,824 common shares, of which Hughes Aircraft Company owns 20% and management officials 19%. The prospectus lists three selling shareholders. Joseph Silverman, Harry Morris, Jr., and Herbert M. Ardston each propose to sell all of their holdings of 20,000, 10,000, and 10,000 shares, respectively. These shares were issued to them in connection with the company's acquisition of two non-affiliated companies engaged in similar businesses.

WHITAKER CABLE PROPOSES OFFERING. Whitaker Cable Corporation, 1301 Burlington, North Kansas City, Mo. 64116, filed a registration statement (File 2-27028) with the SEC on August 2 seeking registration of 100,000 shares of common stock. The shares are to be offered for public sale through underwriters headed by G. H. Walker & Co., Inc., 503 Locust St., St. Louis, Mo. 63101; and the public offering price (\$20.00 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the design, manufacture and sale of electrical products (principally those which can be described as electric wiring assemblies or systems) which are sold to diversified industries. Net proceeds from the sale of the stock will be used in part to repay some \$600,000 of short-term

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bank loans incurred primarily to finance larger inventories and receivables; the remainder will be used for general corporate purposes. In addition to indebtedness, the company has outstanding 713,790 common shares, of which management officials own 31.5% (including 13.2% owned by J. P. Whitaker, board chairman). J. F. Whitaker is president.

TRANSCONTINENTAL GAS PROPOSES OFFERING. Transcontinental Gas Pipe Line Corporation, 3100 Travis St., Box 1396, Houston, Tex. 77001, filed a registration statement (File 2-27030) with the SEC on August 2 seeking registration of 250,000 shares of \$100 par cumulative preferred stock. These shares are to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad St., and Stone & Webster Securities Corp., 90 Broad St., both of New York. The public offering price (\$102.00 per share maximum*) and underwriting terms are to be supplied by amendment.

The company owns and operates an interstate pipeline system for the purchase, sale and transportation of natural gas. Net proceeds of the stock sale will be used in part to prepay a portion of the \$70,000,000 of Revolving Credit Agreement Notes outstanding (the proceeds of which were used by the company for construction purposes); and a portion will be applied to the company's construction program (estimated at \$125,000,000 for each of the years 1967 and 1968). In addition to indebtedness and preferred stock, the company has outstanding 18,473,306 common shares, of which Stone & Webster, Inc. owns 2,013,120 shares, and the underwriter (a wholly-owned subsidiary of Stone & Webster, Inc.), 6,572 shares. James B. Henderson is president and E. Clyde McGraw is board chairman.

REVOCAION OF CANADIAN FORECASTER PROPOSED. SEC Hearing Examiner Irving Schiller has filed an initial decision in administrative proceedings under the Investment Advisers Act involving Southern Brokerage & Holding Co., Inc. ("Forecaster"), of Buffalo, N. Y., doing business as THE CANADIAN FORECASTER. The Examiner ordered that Forecaster's registration as an investment adviser be revoked for violations of the Act, and he further found that Alan McDonald Munro also had violated the Act. Such order and finding will become effective if the Commission does not order review, either on its own motion or on petition by the respondents.

Forecaster publishes a weekly "market letter" and Munro is its editor-in-chief. In early 1966 it had about 3,000 subscribers, of which some 65% were residents of the United States. The Examiner ruled (among other things) that Forecaster and Munro engaged in "practices and a course of business which operated as a fraud and deceit on clients," in that they published recommendations for the purchase of the unseasoned and speculative securities of Victoria Algoma Mineral Co., Ltd., by preparing and publishing in an "irresponsible and reckless manner" false and misleading representations concerning Victoria's properties, operations and results of exploration, made predictions of an increase in the price of Victoria stock without any reasonable basis without attempting to verify information obtained, and omitted material facts which they knew or could have easily ascertained. He described as "either utterly false, misleadingly stated and in all instances unverified," Forecaster's statements concerning Victoria's properties and professed discoveries.

Another respondent, Peter Jeffery, defaulted; and the Examiner recommended that the issues as to him be determined upon the bases of the allegations of the order for proceedings which, under Commission rules, "may be deemed to be true" in view of the default.

SUBSCRIPTION TELEVISION TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending over-the-counter trading in securities of Subscription Television, Inc., for the further ten-day period August 4 through August 13, 1967, inclusive.

KEYES FIBRE PROPOSES DEBENTURE OFFERING. Keyes Fibre Company, Upper College Ave., Waterville, Maine, filed a registration statement (File 2-27032) with the SEC on August 2 seeking registration of \$6,000,000 of convertible subordinated debentures, due 1992. The debentures are to be offered for public sale through underwriters headed by Dominick & Dominick, Inc., 14 Wall St., New York 10005; and the interest rate, public offering price, and underwriting terms are to be supplied by amendment.

The company manufactures a wide variety of molded pulp products used principally in food packaging and food service, and non-disposable fibrous plastic articles, including tableware and serving trays, composed of a combination of pulp and various resins. Of the net proceeds to be received of the debenture sale, approximately \$4,000,000 will be used for new machinery and equipment, principally to produce the "Chi-Net" line of plates, dishes and trays and to produce egg packaging materials, and the balance will be used for general corporate purposes, including increased working capital requirements. In addition to indebtedness and preferred stock, the company has outstanding 1,717,670 common shares, of which The William Gordon Corporation, a New York holding corporation, owns 11.09%, and management officials, 2.04%. Robert G. Fairburn is board chairman and Henry W. Ribgy is president.

SECURITIES ACT REGISTRATIONS. Effective August 2: Capitol Hill Associates, Inc., 2-26467 (90 days); House of Westmore, Inc., 2-26087; Quality Mills, Inc., 2-26730 (90 days). Effective August 3: Ashland Oil & Refining Co., 2-26904 (40 days).

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.