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)

(Issue No. 63-3-15) FOR RELEASE March 21, 1963

REGISTRATION OF JAY MORTON & CO. REVOKED. The SEC today announced the issuance of a decision under the Securities Exchange Act (Release 34-7037) revoking (upon consent) the broker-dealer registration of Jay Morton & Company, Inc., 1242 North Palm Avenue, Sarasota, Fla. Jerome Morton Schechtman, its president, was found a cause of the revocation order. According to the decision, the firm, aided and abetted by Schechtman, during June-July 1962, violated the anti-fraud provisions of the Federal securities laws in that they (1) solicited and accepted about $26,482 from a customer for the purchase of securities and misappropriated such funds to pay the firm's own operating expenses, to pay for securities owed to other customers, and to pay funds due to other customers, and (2) engaged in the securities business while insolvent. The Commission also found that the firm and Schechtman violated its net capital rule during 1960-1962, its net capital deficit during such period exceeding $76,000. Moreover, according to the decision, the firm and Schechtman were permanently enjoined (upon consent) in July 1962 by a Federal court in Florida from further violating the Commission's net capital rule. In October 1962, the National Association of Securities Dealers, Inc. expelled the firm from membership and revoked the registration of Schechtman as a registered representative.

REVIEW OF NASD ACTION AGAINST JAMES H. LOGAN, ET AL. DISMISSED. The SEC has issued an order under the Securities Exchange Act (Release 34-7038) dismissing applications for review of disciplinary action taken by the National Association of Securities Dealers, Inc. against James H. Logan, Mildred Logan, Wesley C. Mann, and Marvin M. Hersh, former officers and employees of J.Logan & Co.[1/] on the grounds that such applications have become moot or have been abandoned by virtue of the fact that since July 1962, when the Commission revoked the broker-dealer registration of Logan & Co. (and expelled it from NASD membership) no briefs have been filed in support of the applications. The Commission has extended the time for filing of such briefs until after its determination in the Logan & Co. proceeding then pending, advising the applicants that it would take such action unless a request for consideration of the application and a supporting brief were filed. None replied to this notice except Theodore Hersh, who requested that his application be continued in effect but that action thereon be withheld until the determination of the appeal he has filed in a United States Court of Appeals from the Commission's order naming him as a cause of the revocation of Logan & Co. The Commission has extended the time for filing of a brief in support of the application of Theodore Hersh until further notice to be given after disposition of the appeal. 1/(of Pasadena, Calif.)

MACK SHIRT FILES FOR SECONDARY. The Mack Shirt Corporation, 412 East Sixth Street, Cincinnati, filed a registration statement (File 2-21178) with the SEC on March 20 seeking registration of 102,060 outstanding shares of Class A common stock, to be offered for public sale by the holders thereof through underwriters headed by W. E. Hutton & Co., 14 Wall St., New York. The public offering price (maximum $20 per share*) and underwriting terms are to be supplied by amendment.

The company is engaged in the design, manufacture, sale and distribution of business and sport shirts for men and women's shirts in a variety of styles. It also designs, sells and distributes a limited group of women's slacks and shorts. The company has outstanding 119,250 Class A and 238,500 Class B common shares, of which Richard J. Mack, president, Elizabeth R. Mack, David L. Berliner, a vice president, and Alan R. Mack own 58.2%, 17.7%, 12.2% and 5.9%, respectively, of each class. They propose to sell 69,390, 21,150, 4,500 and 7,020 Class A shares, respectively (constituting, with the exception of Berliner, all shares owned by them). Members of the Mack family together own 81.8% of the outstanding voting stock of the company, and after the stock sale they will own 54.5%.

GLOBE INDUSTRIES FILES FOR OFFERING AND SECONDARY. Globe Industries, Inc., 1784 Stanley Ave., Dayton, Ohio, filed a registration statement (File 2-21179) with the SEC on March 20 seeking registration of 127,500 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 77,500 shares, being outstanding stock, by the holders thereof. McDonald & Company, 1250 Union Commerce Bldg., Cleveland, heads the list of underwriters. The public offering price (maximum $11 per share*) and underwriting terms are to be supplied by amendment.

The company's principal products are miniature electric motors and motor accessories and powdered metal products. It also manufactures other devices for the missile and aircraft industries. Of the net proceeds from the company's sale of additional stock, $250,000 will be used to construct a new plant in Dayton, $200,000 to equip the plant, and the balance to carry additional inventories and accounts receivable. In addition to certain indebtedness, the company has outstanding 820,792 shares of common stock (after giving effect to a proposed recapitalization), of which Max Isaacson, president, and Howard B. Isaacson, Milton S. Isaacson and Robert A. Stein (together with Elaine I. Stein), vice presidents, own 15.70%, 20.50%, 20.50%, and 22.74%, respectively. They propose to sell 30,000, 15,000, 15,000 and 17,500 shares respectively. Book value of stock now outstanding is $4.29 per share.

FRANCIS A. CALLERY FILES FOR OFFERING. Francis A. Callery, Agent (a partnership), 375 Park Avenue, New York, filed a registration statement (File 2-21177) with the SEC on March 19 seeking registration of $6,000,000 of interests under Exploration Venture Agency Agreements, to be offered for public sale at $30,000 per interest. The partnership proposes to engage on behalf of participants in the venture in the

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exploration for oil and gas on a continuing basis using funds supplied pursuant to participants' commitments under the Agreements. It is estimated that the distribution of expenditures from the fund will be as follows: 20% for cost of leases and capitalized geophysical costs; 60% for drilling of test wells; and 20% for screening, general and administrative expenses and delay rentals. As compensation for its services to participants, the partnership will receive a 1/3 interest in all properties acquired under the venture, which interest will be carried by participants as to costs through test wells and certain other costs as to each exploratory prospect. F. A. Callery, Inc., an affiliate of the partnership, for its services as operator of the venture properties, will receive 1% of expenditures made on behalf of the owners of such properties. Francis A. Callery is managing partner of the partnership and board chairman of the operator, and the two companies have other common management officials. Francis A. Callery has a 67.61% interest in the capital and earnings of the partnership, and all of the stock of the operator is owned by him.

COPENHAGEN TELEPHONE PROPOSES DEBENTURE OFFERING. Copenhagen Telephone Company, Incorporated, Copenhagen Denmark, filed a registration statement (File 2-21180) with the SEC on March 20 seeking registration of $15,000,000 of sinking fund dollar debentures due 1978, to be offered for public sale through underwriters headed by Smith, Barney & Co., Inc., 20 Broad St., New York, and three other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company, which is 50.65% owned by the Danish Government, is the sole supplier of telephone service on the Danish islands of Zealand (on which Copenhagen is located), Lolland-Falster and Bronholm, pursuant to a concession granted to it by the Danish Government. The net proceeds from the debenture sale will be converted into Danish kroner and applied to the financing of the company's 1963 construction program (estimated at $24,600,000). Gustav Teisen is board chairman.

AMERICAN ENKA FILES STOCK PLAN. American Enka Corporation, Enka, North Carolina, filed a registration statement (File 2-21181) with the SEC on March 19 seeking registration of 175,000 shares of common stock, to be offered pursuant to its Stock Option Plan.

PHILLIPS PETROLEUM FILES THRIFT PLAN. Phillips Petroleum Company, Bartlesville, Okla., filed a registration statement (File 2-21182) with the SEC on March 20 seeking registration of $13,500,000 of participation in its Thrift Plan, and 276,215 shares of common stock which may be acquired pursuant thereto.

PRINCIPAL CERTIFICATE SERIES SEEKS ORDER. Principal Certificate Series, Inc., Seattle registered face-amount certificate company, has applied to the SEC for an order under the Investment Company Act approving a depository agreement between the company and Bankers Trust Company, wherein the company undertakes to deposit and maintain with the bank qualified investments and reserves as required under the Act with respect to Single Payment Certificate Series B which the company contemplates issuing; and the Commission has issued an order (Release IC-3653) giving interested persons until April 5, 1963, to request a hearing thereon.

WASHINGTON GAS LIGHT PROPOSES ACQUISITION. Washington Gas Light Company, Washington, D. C., holding company, has applied to the SEC for an order under the Holding Company Act authorizing its proposed acquisition of 17,750 common shares of a nonaffiliated company, Frederick Gas Company, Inc., through an exchange offer on a share for share basis; and the Commission has issued an order (Release 35-14831) giving interested persons until April 8, 1963 to request a hearing thereon. According to the application, of the total shares to be acquired, 15,750 will be obtained pursuant to an option agreement between Frederick stockholders owning all the presently outstanding shares; and 2,000 additional shares of Frederick will be obtained from Modern Woodmen of America which will purchase such shares from Frederick through the exercise of stock purchase warrant. The book value of Frederick stock, adjusted to reflect sale of the 2,000 additional shares, is $23.85 (at December 1962); and the aggregate market value of the 17,750 common shares of Washington Gas Light (based upon the $34.12 per share closing price thereof on March 19, 1963) amounts to $605,630.

OHIO EDISON SEEKS ORDER. Ohio Edison Company, Akron holding company, and its utility subsidiary, Pennsylvania Power Company, have applied to the SEC for an order under the Holding Company Act authorizing the proposed tax allocation which will give to the companies included in consolidated tax returns of Ohio Edison and its subsidiary the full investment credit each company contributes to the total investment credit allowed on the consolidated returns; and the Commission has issued an order (Release 35-14832) giving interested persons until April 8, 1963 to request a hearing thereon.

MANHATTAN LIFE FILES FOR SECONDARY. The Manhattan Life Insurance Company, 111 West 57th St., New York, filed a registration statement (File 2-21183) with the SEC on March 20 seeking registration of 50,000 outstanding guarantee capital shares, to be offered for public sale by the holders thereof through underwriters headed by Kidder, Peabody & Co., Inc., 20 Exchange Place, New York. The public offering price (maximum $135 per share*) and underwriting terms are to be supplied by amendment.

The company writes most forms of ordinary and group life insurance as well as some annuity business, and is licensed to do business in all 50 states and the District of Columbia. The company has outstanding 720,000 guarantee capital shares, of which Thomas E. Lovejoy, Jr., president, owns 149,196 shares (20.72%), and James P. Fordyce, board chairman, 40,195 shares (5.58%). They propose to sell 37,500 and 12,500 shares, respectively. Lovejoy also holds an additional 29.25% in a trust for the benefit of three sisters.

SECURITIES ACT REGISTRATIONS. Effective March 20: Maryland Casualty Co. (File 2-21091).

*As estimated for purposes of computing the registration fee.

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