

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. 63-12-9)

FOR RELEASE December 12, 1963

FOUNDATION OF LITTON INDUSTRIES FILES STOCK PLAN. Foundation of the Litton Industries Plan, 336 North Foothill Rd., Beverly Hills, Calif., filed a registration statement (File 2-21937) with the SEC on 12/11 seeking registration of 50,000 shares of common stock of Litton Industries and 50,000 options to purchase such common stock of Litton Industries which may be made available to selected key management and scientific personnel of the company in order to give them the opportunity to purchase, subject to certain restrictions, common stock of the company at a price substantially less than the market price.

LITTON INDUSTRIES FILES STOCK PLAN. Litton Industries, Inc., 336 North Foothill Rd., Beverly Hills, Calif., filed a registration statement (File 2-21936) with the SEC on December 11 seeking registration of 100,000 shares of common stock which may be purchased by eligible employees under the company's Employees Stock Purchase Plan.

FRANKLIN LIFE INSURANCE FILES STOCK OPTION PLAN. The Franklin Life Insurance Company, 800 South Sixth St., Springfield, Ill., filed a registration statement (File 2-21940) with the SEC on December 11 seeking registration of 304,843 shares of common stock to be offered to certain employees and agents pursuant to the company's stock option plan.

CHRIS-CRAFT SHARES IN REGISTRATION. Chris-Craft Industries, Inc., 1091 Calcot Place, Oakland, Calif., filed a registration statement (File 2-21941) with the SEC on December 11 seeking registration of 96,988 outstanding shares of capital stock, to be offered from time to time for public sale by the present holders thereof on the New York or Pacific Coast Stock Exchanges or otherwise at the prevailing market price (maximum \$13 5/8 per share*). These shares were acquired by former shareholders of Chris-Craft Corporation in 1961 as part consideration for the cancellation of \$3,000,000 of indebtedness incurred in connection with the acquisition by Chris-Craft Industries of all of the capital stock of Chris-Craft Corporation. The company and its subsidiaries are engaged in numerous businesses: fabricating and manufacturing automotive textiles and foam rubber products; producing oil and gas; operating television stations; and manufacturing motor boats and marine engines. As of September 30, 1963 the company had outstanding (in addition to other debt) 1,376,672 shares of capital stock of which 3.1% was owned by directors and officers as a group. H. V. Sherrill is chairman of the board and John G. Bannister is president.

INDIVIDUALS' SAVING REPORTED. The SEC announces (for December 13th newspapers) that individuals saved at a fairly high rate during the third quarter of 1963. Saving in financial form totaled \$5.2 billion, compared to \$3.3 billion in the preceding quarter and \$6.4 billion in the third quarter of 1962. However, after adjustment for seasonal influences the volume of saving in the third quarter of this year was lower than the preceding period. (For details, see Stat. Release No. 1943).

INVESTMENT COMPANIES EXEMPTED. The SEC has issued orders under the Investment Company Act (Releases IC-3851-3855, respectively) declaring that the following have ceased to be investment companies: Corporate Trust Shares, Series AA (Modified); Corporate Trust Shares, Series AA; Corporate Trust Shares, Accumulative Series (Modified); Corporate Trust Shares, Accumulative Series; and Corporate Trust Shares, all c/o The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York City.

CINCINNATI GAS FILES FOR EXCHANGE OFFER. Cincinnati Gas & Electric Co., P.O. Box 960, Cincinnati, Ohio, has filed an application with the SEC regarding a proposal whereby it will acquire from A. R. Stryker, of Lawrenceburg, Ind., all the issued and outstanding capital stock of three non-affiliated companies: Lawrenceburg Gas Company, Lawrenceburg Transmission Corporation, and Eastern Indiana Gas Corporation. In consideration therefor, Cincinnati Gas will deliver to Stryker a total of 36,881 shares of its own \$8.50 par value common stock on the basis of 25,304 shares, 7,275 shares, and 4,302 shares, respectively, for the stocks of the three companies. Interested persons have been given until January 2, 1964 to request a hearing on the proposal. (Release 35-14981).

TRADING BAN IN TWO STOCKS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Continental Vending Machine Corporation and Tastee Freez Industries, Inc. for an additional ten-day period, December 13-22, 1963, inclusive.

OVER

COMMENT PERIOD EXTENDED ON RULE PROPOSAL. The SEC today announced an extension of time, from December 16 to December 26, 1963, within which comments may be submitted on the proposed amendment of Rule 14a-3 of the Commission's proxy rules under the Securities Exchange Act of 1934. The extension was granted at the request of persons who desire additional time to consider the proposed amendment and submit comments thereon.

AMERICAN RESEARCH & DEV. SEEKS ORDER. American Research and Development Corporation, 200 Berkeley St., Boston, has applied to the SEC for an exemption order under the Investment Company Act with respect to a stock purchase proposal; and the Commission has issued an order (Release IC-3857) giving interested persons until December 30, 1963, to request a hearing thereon. According to the application, American Research proposes to purchase slightly over 10% of the stock (an investment of about \$250,000) in a European investment company, European Enterprise Development Company, which will be organized under Luxembourg law and will invest and reinvest in substantially the same type of companies in which American Research invests. The European company will issue only common stock and all of its stock will be owned by applicant, three other United States investors and fourteen European banks. The United States investors other than applicant are Lehman Brothers, Morgan Guaranty International Finance Corporation, a wholly-owned subsidiary of Morgan Guaranty Trust Company, and Continental International Financing Corporation, a wholly-owned subsidiary of Continental Illinois National Bank of Chicago.

FLXIBLE CO. FILES FOR OFFERING AND SECONDARY. The Flxible Company, Loudonville, Ohio, today filed a registration statement (File 2-21943) with the SEC seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Merrill, Turben & Co., Inc., 1612 Union Commerce Bldg., Cleveland, Ohio. Of these shares, 105,000 are to be offered for sale by the company and 45,000 (being outstanding stock) by two stockholders. The offering price (maximum \$11.25 per share*) and underwriting terms are to be supplied by amendment.

The company, incorporated under the laws of Ohio in 1914, is a major manufacturer of city transit buses, suburban buses, "Airporter" buses, intercity buses, ambulances, funeral cars and also a supplier of the aircraft and other industries. Proceeds from the company's sale of the common stock, plus \$2,500,000 to be received from the sale of a First Mortgage Note to Jefferson Standard Life Insurance Company, will be used as follows: Approximately \$1,010,000 will be applied against short-term bank borrowings; approximately \$1,000,000 will be used to provide working capital for Flxible Southern Company (a wholly-owned subsidiary) which will operate plants to be acquired from Southern Coach & Body Company, Inc.; and approximately \$575,000 will be used to retire loans of Southern Coach & Body Company, whose assets will be acquired and liabilities assumed by Flxible Southern. Any remaining funds will be added to the working capital of the company. In addition to other indebtedness, the company presently has outstanding 173,800 shares of common stock, 102,905 shares of which are owned by officers and directors as a group. The selling shareholders are Hugo H. Young (president, chief executive officer & director), who is offering 40,100 shares and will thereafter own 72,650 shares, and Carl F. Dudte, who is selling his total holdings of 4,900 shares.

SECURITIES ACT REGISTRATIONS. Effective December 11: Illinois Tool Works Inc. (File 2-21892).
Effective December 12: Metromedia, Inc. (File 2-21831); Southeastern Timberland Trust (File 2-21669).

*As estimated for purposes of computing the registration fee.

---ooo0ooo---