

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

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



Washington 25, D.C.

FOR RELEASE September 14, 1961

**JUPITER OILS SHARES IN REGISTRATION.** Jupiter Oils Limited, One North La Salle St., Chicago, filed a registration statement (File 2-18880) with the SEC on September 13th seeking registration of 1,006,946 common shares, 15¢ par. Of this stock, 427,500 shares are to be issued to shareholders of other companies in exchange for shares of such other companies; 513,900 to individuals who have purchased such shares for investment only and not for distribution, but who may now offer such shares for sale; and 65,546 shares to be issued to individuals or to business firms for services rendered or for properties acquired.

The company was organized in 1948 to explore for, produce and market oil, natural gas and other minerals. In 1960 its powers were enlarged to include general commercial activities, including real estate operations. The company will issue 427,500 shares to 41 persons, comprising the holders of all the issued and outstanding shares of Cicero Airways Realty Company, O'Hare Kings Court Motel, Inc. and Indianapolis Airways Motor Inn, Inc. Cicero Airways Realty owns The Chicago Airways Hotel adjacent to Midway Airport in Chicago. The Kings Court Motel is situated near O'Hare International Airport; and the Indianapolis Airways Motor Inn is to be constructed near the Indianapolis Motel. Of the 427,500 shares, 40,819 will be received by Jack Galter, 40,085 by Ben P. Seltz, 38,617 by Jerrold Wexler (company president) and 32,653 by Carol P. Golan.

The 513,900 shares will be issued to 24 persons who acquired such shares in a private offering in April 1961 at \$2.25 per share (\$1,156,275). Of this stock, 86,200 shares are issuable to Richard Berkson, 49,000 to Charles Iker, 44,600 to Stanford Clinton, Jr., and 31,000 to Max Dressler. Of the 65,546 remaining shares, 35,000 are to be issued to Marvin E. Gollob & Co. for properties acquired.

The prospectus states that the shares are being registered so that a prospectus will be available not only for the company's use in effecting the issuance of the 1,006,946 shares but also for use by any purchasers or recipients of such shares who may wish to sell same from time to time in the future. According to the prospectus, the company now has outstanding 3,824,121 shares in addition to certain indebtedness. It has sustained operating losses during the past five years ranging from \$7,376 to \$423,727.

**PITTSBURGH STEEL PROPOSES RIGHTS OFFERING.** Pittsburgh Steel Company, 1600 Grant Building, Pittsburgh, filed a registration statement (File 2-18881) with the SEC on September 13th seeking registration of 1,110,617 shares of common stock, to be offered for subscription by common stockholders. The rate of subscription, record date, subscription price and underwriting terms are also to be supplied by amendment. Kuhn, Loeb & Co. heads the list of underwriters.

Net proceeds from the stock sale, together with \$10,000,000 from the sale to an institutional investor of first mortgage bonds (with warrants for the purchase of 200,000 common shares) and cash generated from operations, will be applied towards the company's five-year cost reduction and modernization program, estimated at \$44,000,000. In addition to certain indebtedness and preferred stock, the company has outstanding 1,586,595 shares of common stock, of which J. H. Hillman & Sons Company owns 25.3% and management officials as a group 1%. H. B. Collamore is listed as board chairman and A. R. Maxwell, Jr. as president.

**VENTURE FUND SHARES IN REGISTRATION.** Venture Fund, Incorporated, 133 South Seventh St., Minneapolis, filed a registration statement (File 2-18882) with the SEC on September 13th seeking registration of 1,000,000 shares of common stock, to be sold at their net asset value plus a salescharge of 8½% of the offering price. The principal underwriter and investment adviser for the Fund, which was organized in March 1960, is Craig-Hallum, Kinnard, Inc. In addition to the cash sale of shares, the Fund shares will be issued in exchange for shares of General Securities, Incorporated on the basis of the relative net asset values per share at the time of the exchange. At July 31st the company had outstanding 31,083 shares. The prospectus lists John P. Robinson as board chairman of the Fund; and he is also president and 8% stockholder of the underwriter. John G. Kinnard, president of the Fund, is also an officer and 2% stockholder of the underwriter.

**GEORGIA POWER SALE OF BUS PROPERTIES CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-14511) declaring that Georgia Power Company (Atlanta) need not file a declaration with the Commission under the Holding Company Act with respect to its proposal to dispose of its buses and related facilities now operated by it in the City of Rome, Georgia.

**COLUMBIA GAS SYSTEM FINANCING CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-14512) authorizing The Columbia Gas System, Inc., New York holding company, to purchase \$675,000 of installment notes from its subsidiary, Columbia Gas of New York, Inc., of Pittsburgh, Pa. The funds will be used by the subsidiary, together with funds from internal sources, to finance its construction requirements for 1961 estimated at \$1,249,100.

**CENTRAL OPERATING CHARTER AMENDMENT APPROVED.** The SEC has issued an order under the Holding Company Act (Release 35-14513) authorizing amendments to the charter of Central Operating Company, New Haven, W. Va., subsidiary in the system of American Electric Power Company, Inc., New York holding company. The stock of

OVER

Central is owned 50% each by Appalachian Power Company and Ohio Power Company, American subsidiaries. Central proposes to distribute about \$270,000 of cash to the two parent companies. To effectuate such distribution, it proposes to change the par value of its 45,000 shares of outstanding common stock from \$100 to \$94 per share, transfer to its capital surplus account an aggregate of \$270,000 applicable thereto, and pay such amount as a partial liquidating dividend out of such capital surplus.

**PHILADELPHIA ELECTRIC POWER PROPOSES ADVANCE TO SUBSIDIARY.** Philadelphia Electric Power Company, Philadelphia, has filed a proposal with the SEC under the Holding Company Act to advance sums aggregating up to \$1,500,000 during 1961 to its subsidiary, The Susquehanna Power Company; and the Commission has issued an order (Release 35-14514) giving interested persons until October 2d to request a hearing thereon. The funds will be used by the subsidiary as initial financing of the construction and installation of four additional turbo-generator units at the hydroelectric power development on the Susquehanna River known as the Conowingo Project, jointly owned with the parent. The total cost of the proposed construction, expected to be completed in 1964, is estimated at \$31,500,000.

**SOUTH PENN POWER PROPOSES STOCK SALE.** South Penn Power Company, Waynesboro, Pa., has joined with its parent, The Potomac Edison Company, Frederick, Md., in the filing of a proposal with the SEC under the Holding Company Act for the issuance and sale of additional stock by the subsidiary to the parent; and the Commission has issued an order (Release 35-14515) giving interested persons until October 9th to request a hearing thereon. Under the proposal, South Penn will issue and sell an additional 100,000 common shares to its parent for \$500,000 in cash. The funds will be used for property additions.

**GENERAL PUBLIC UTILITIES FILES PROPOSAL.** General Public Utilities Corporation, New York holding company, has filed an application with the SEC under the Holding Company Act with respect to its proposal to sell its interest in Manila Electric Company; and the Commission has issued an order (Release 35-14516) giving interested persons until October 2d to request a hearing thereon. Manila Electric operates in the Philippines. GPU proposes to sell its holdings of securities of that company to Meralco Securities Corporation. All of the outstanding common stock of Manila Electric and all outstanding shares of its preferred stock (except 9 shares held by Manila Electric's directors, which shares are included in the proposed sale) are held by GPU, which also holds 8,000,000 pesos principal amount of the subsidiary's first mortgage bonds and \$3,355,431 face amount of its notes payable serially to 1968 in U. S. dollars. The sale price of the securities is \$46,000,000 (plus undistributed earnings from January 1, 1961, to closing date). The purchase price will be evidenced by irrevocable letters of credit to be opened by Philippine banks through U. S. banks and deposited by Meralco with Fiduciary Trust Company of New York, as escrow agent. The letters of credit to be acquired by GPU will provide for the payment, in funds current at the New York clearing house, of approximately 10% of the sale price at the date of closing, the balance being payable in nine approximately equal annual installments commencing one year from the closing date, with interest on such unpaid installments at the rate of 3% per annum. GPU will sell the letters of credit evidencing the nine installment payments within one year after the date of acquisition thereof and after making an appropriate filing to that effect with this Commission.

**INDEPENDENT TELEPHONE FILES EXCHANGE PLAN.** Independent Telephone Corporation, 25-27 South Street, Dryden, N. Y., filed a registration statement (File 2-18883) with the SEC on September 13th seeking registration of 36,700 shares of 5% cumulative convertible preferred stock, Series B, \$10 par, and 91,600 shares of common stock. It is proposed to offer such stock to stockholders of The Midland Telephone Company, of Colorado, on the basis of 1.6 preferred and 4 common shares for each 10 shares of Midland. The company may pay "soliciting dealers" 25¢ for each shares of Midland stock exchanged through their efforts, exclusive of shares owned by management officials of Midland or their families.

The company is in the business of acquiring, owning and holding as a holding company, controlling interests in telephone operating companies and, directly or through subsidiaries, of rendering accounting, financial, management and other services to its subsidiary telephone operating companies and such other companies as may contract for them. The company currently controls 14 telephone operating companies through common stock ownership and one subsidiary has contracted to acquire assets of four additional companies. Midland is engaged in the telephone business as a public utility in the counties of Grand and San Juan, Utah and Dolores and San Miguel, Colorado. The company's ownership of not less than 80% of all of the capital stock of Midland will enable it to control the business operations and policies of Midland.

In addition to certain indebtedness and preferred stock, the company has outstanding 728,507 shares of common stock, of which management officials as a group own 7%. William B. Harrison is listed as president and Donald S. Stralem as chairman of the executive committee.

**EVERSHARP FILES STOCK PLANS.** Eversharp, Inc., Webster Road, Milford, Conn., filed a registration statement (File 2-18884) with the SEC on September 13th seeking registration of 150,000 shares of common stock, to be offered pursuant to its Employees' Supplemental Stock Option Plans.

**SOUTHERN SYNDICATE FILES FOR STOCK OFFERING.** Southern Syndicate, Inc., 2501 Bank of Georgia Bldg., Atlanta, Ga., filed a registration statement (File 2-18885) with the SEC on September 13th seeking registration of 300,000 shares of common stock, to be offered for public sale on an all or none basis by The Johnson, Lane, Space Corporation. The public offering price and underwriting terms are to be supplied by amendment. Organized in 1955, the company has invested in real estate and real estate mortgages. In March 1961, through the merger into the company of Greater Atlanta Realinvestment Corporation, the company acquired for an aggregate purchase price of \$1,610,271 about 400 acres of undeveloped land located at fourteen corners at five intersections on the Northeast Freeway near Atlanta, Georgia. The proposed activities of the company

consist of investing in real estate and interests in real estate (not usually including mortgages), developing its land into income-producing property, and possibly disposing of some of its undeveloped land. Of the net proceeds from the stock sale, \$300,000 will be used to retire bank notes in that amount and the balance will be added to working capital and will be used either for additional investments in real estate or to make payments on mortgage debt on real estate now held by the company. Said bank loan was used to pay part of the \$635,000 purchase price of the Howard Johnson's Motor Lodge and Restaurant, Tifton, Georgia, acquired in August 1961.

In addition to certain indebtedness, the company has outstanding 943,332 shares of common stock, of which W. A. Horne, Jr., president, owns 13.61%, and management officials as a group 47.78%. C. Baxter Jones, Jr., secretary, has direct or indirect interest in about 11.58% of the outstanding stock.

**MANUFACTURING CORP. PROFITS REPORTED.** In a joint SEC-FTC study released today (Stat Release 1778) by U. S. manufacturing corporation profits after taxes for the three months ending with June amounted to \$4 billion, or 37% more than the \$2.9 billion earned in the first quarter but \$100 million less than was earned in the second quarter of 1960.

**PUERTO RICO CAPITAL FILES FOR STOCK OFFERING.** Puerto Rico Capital Corporation, San Juan, Puerto Rico, filed a registration statement (File 2-18887) with the SEC on September 13th seeking registration of 750,000 shares of common stock, to be offered for public sale at \$10 per share. The offering will be made on an all or none basis through underwriters headed by Hill, Darlington & Grimm, which will receive a \$1 per share commission.

Organized under Puerto Rico law in September 1961, the company expects to be licensed as a small business investment company under the Small Business Investment Act of 1958. It has not yet engaged in any business activities. It is also registered as a closed-end non-diversified investment company under the Investment Company Act of 1940. Net proceeds from the stock sale will be added to general funds and used to finance the company's business of providing equity capital and long term loans to small business concerns. Pre-cept Gerencia, Inc., of San Juan, is listed as the company's investment adviser.

The company has accepted subscriptions for 38,500 shares of common stock at the public offering price, of which Alfred du Pont Dent, Mrs. J. Marvel Scott, and E. Newbold Smith will own 13%, 10.3% and 10.4%, respectively, and management officials as a group 9.1%. Quing N. Wong is listed as president and board chairman; and he also is president of the investment adviser.

**GAS HILLS URANIUM PROPOSES RIGHTS OFFERING.** Gas Hills Uranium Company, 224 Ivinson Street, Laramie, Wyoming, filed a registration statement (File 2-18886) with the SEC on August 29th seeking registration of 847,035 shares of common stock. It is proposed to offer such shares for subscription by common stockholders at the rate of one new share for each ten shares held. The record date and subscription price are to be supplied by amendment. The prospectus also refers to 208,577 shares underlying certain convertible notes and 400,000 shares reserved for issuance for properties and services. An additional 1,379,607 outstanding shares have been pledged by officers and/or affiliates of the company to secure certain indebtedness. The prospectus also includes 3,427,280 outstanding shares which some 116 holders thereof (including affiliates) are said to have commenced selling in July 1960, which shares were issued by the company primarily in connection with property acquisitions.

Organized in 1955, the company is a member of a partnership which owns and operates uranium mines and a mill. It has had no substantial operations to date and its liabilities (which are expected to increase) substantially exceed its assets. According to the prospectus, the company "is in urgent need of working capital to cover operating expenses and the salaries of officers, directors and other employees." Its principal asset is an interest in a partnership known as Federal-Radorock-Gas Hills Partners with Federal Resources Corporation. The partnership is said to have uranium mining properties located in Wyoming. The net proceeds from the stock sale will be used to reduce indebtedness or redeem shares under contractual commitments, for exploratory and other work on vanadium properties, for acquisitions, and for working capital to be used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 8,470,359 shares of common stock (5,498,590 shares have been issued from time to time in connection with property acquisitions), of which Cotter Ferguson, president, owns 19.5% and management officials as a group 27.1%.

**SECURITIES ACT REGISTRATIONS.** Effective September 13: Texas Capital Corporation (File 2-18309). Effective September 14: Midwest Foam Products Company (File 2-18172); National Periodical Publications, Inc. (File 2-18520); The North Atlantic Life Insurance Company of America (File 2-18245); Waldbaum, Inc. (File 2-18537). Withdrawn September 14: Moka Small Business Investment Corporation, Inc. (File 2-17480).

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