

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 January 8, 1959

SEC 24th ANNUAL REPORT - For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. - Price 75 cents.

ROYAL McBEE FILES STOCK PLAN

Royal McBee Corporation, Westchester Ave., Port Chester, N. Y., filed a registration statement (File 2-14665) with the SEC on January 6, 1959, seeking registration of 94,726 shares of Common Stock, to be offered under the company's Employee Stock Option and Savings Plan.

SOUTHERN CO. PROPOSES STOCK OFFERING TO FINANCE SUBS.

The Southern Company, Wilmington, Del. holding company, has applied to the SEC for an order under the Holding Company Act authorizing the issuance and sale, at competitive bidding, of an additional 1,350,000 shares of its \$5 par Common Stock; and the Commission has issued an order (Release 35-13907) giving interested persons until January 26, 1959, to request a hearing thereon.

The application also proposes that, of the \$43,750,000 estimated cash proceeds of the stock sale (plus treasury funds), Southern pay its short-term bank loans of \$6,000,000 and purchase additional common stock of subsidiaries, as follows: \$16,500,000 each of Alabama Power Company and Georgia Power Company; \$2,000,000 of Gulf Power Company; and \$3,000,000 of Mississippi Power Company. The subsidiaries propose to use the funds for construction purposes, except that Alabama and Georgia each proposes to use \$9,000,000 to purchase additional common stock of Southern Electric Generating Company. The latter would use the funds to pay a portion of its outstanding short-term bank loans and to continue the construction of its steamelectric generating plant and its coal mining facilities, to acquire additional coal reserves and for other corporate purposes.

FLORIDA PUBLIC UTILITIES FILES FOR PREFERRED STOCK OFFERING

Florida Public Utilities Company, 338 Datura St., West Palm Beach, Fla., filed a registration statement (File 2-14667) with the SEC on January 7, 1959, seeking registration of 32,500 shares of \$20 par Convertible Preference Stock, Cumulative. The stock is to be offered for public sale through an underwriting group headed by White, Weld & Co., Starkweather & Co., and Clement A. Evans & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the sale of the stock will be used to finance, in part, the company's 1959 construction program including cost of conversion of the company's gas operations from manufactured to natural gas. The company estimates that its 1959 construction will require the expenditure of \$2,221,000, including \$340,000 for conversion of customers' appliances to natural gas and \$1,318,000 for transmission and distribution mains and related costs. Construction expenditures in 1959 are estimated at \$1,130,000.

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For further details, call ST. 3-7600, ext. 5526

UNION BAG FILES FOR EXCHANGE OFFER

Union Bag-Camp Paper Corporation, New York, N. Y., today filed a registration statement (File 2-14668) with the SEC seeking registration of 23,282 shares of its Capital Stock, par value \$6-2/3 per share. The company proposes to offer this stock in exchange for shares of the common capital stock of Highland Container Company in the ratio of 0.58 shares of Union Bag for one share of Highland.

According to the prospectus, Union Bag now holds 37,860 shares of the 78,000 shares of Highland. Unless the exchange offer is accepted prior to its expiration by stockholders holding more than 25,000 of the outstanding shares, the exchange offer will be cancelled. If the exchange offer is so accepted by the holders of more than 25,000, but less than 36,000 such shares, the exchange offer may be cancelled at the option of Union Bag by written or telegraphic notice to the exchange agent given on or before March 4, 1959.

Highland was organized on October 26, 1944, under the laws of North Carolina and is engaged in the manufacture and sale of corrugated sheets and boxes made from kraft containerboard. The prospectus states that, if Union Bag acquires all of the shares of Highland stock now held by other stockholders, it will cause Highland to be merged into it. After such a merger (or after a later merger or acquisition of assets), the business formerly conducted by Highland as a separate corporation will be conducted by Union Bag as a division, but the Highland name and management will be preserved to the extent practicable. If Union Bag should acquire some, but less than all, of the shares of Highland stock pursuant to the exchange offer, it will operate Highland as a subsidiary. If such subsidiary operation, however, should prove impractical or undesirable, it is possible that Union Bag will cause Highland to be merged into Union Bag or will acquire Highland's assets and cause it to be liquidated.

INLAND STEEL PROPOSES BOND OFFERING

Inland Steel Company, Chicago, Ill., today filed a registration statement (File 2-14669) with the SEC seeking registration of \$50,000,000 of First Mortgage Bonds, Series L, due February 1, 1989, to be offered for public sale through an underwriting group headed by Kuhn, Loeb & Co. The public offering price and underwriting terms are to be supplied by amendment.

The net proceeds from the sale of the bonds will be added to the general funds of the company, primarily for the purpose of restoring and increasing working capital. It is estimated that approximately \$10,000,000 of such proceeds will be applied toward capital expenditures of approximately \$80,000,000 contemplated to be made in 1959 by the company and its subsidiaries, primarily in connection with the expansion of and improvements to finishing facilities at the Indiana Harbor plant and construction, development, and improvement of raw material properties and transportation facilities. It is also estimated that funds for the remaining approximately \$70,000,000 of such contemplated capital expenditures will be obtained from depreciation and depletion, amortization of defense facilities, earnings reinvested in the business, and any amounts obtained from sales of capital stock to employees under existing stock purchase and option plans.

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