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 May 18, 1959

Statistical Release No. 1603

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended May 15, 1959, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1959, is as follows:

	1939 = 100			1959	
	5/15/59	5/8/59	Percent Change	High	Low
Composite	426.5*	420.0	+1.5	426.5	400.1
Manufacturing	529.9*	520.3	+1.8	529.9	490.7
Durable Goods	496.9*	486.1	+2.2	496.9	457.8
Non-Durable Goods	550.0*	541.6	+1.6	550.0	510.5
Transportation	356.0	352.0	+1.1	366.0	340.7
Utility	220.3	219.5	+0.4	231.8	208.6
Trade, Finance & Service	410.8*	404.3	+1.6	410.8	382.7
Mining	332.9	329.2	+1.1	360.4	327.6

*New High

COMPUDYNE CORP. FILES FOR OFFERING AND SECONDARY

Compudyne Corporation, 404 South Warminster Rd., Hatboro, Pennsylvania, today filed a registration statement (File 2-15115) with the SEC seeking registration of 225,286 shares of common stock. Of this stock, 172,000 shares are to be offered for public sale for the account of the company and 42,071 shares for the account of Philip M. Gotthold, a former director, being all the shares owned by him. Milton D. Blauner & Co., Inc., and Hollowell, Sulzberger, Jenks, Kirkland & Co. are listed as the principal underwriters; and the public offering price is to be $3 per share and the underwriting commission $.45 per share. The president of Blauner & Co. has purchased 9,000 shares from officers of the company and 2,215 shares from Gotthold for $1 per share.

The company is engaged in the design, development, assembly and manufacture of devices and electronic systems used in the automatic control of aeronautical and missile test facilities, production processes employed in the chemical, petroleum and metal industries, and the production of instrumental weighing equipment for use in chemical, petroleum and metal processing industries. Net proceeds of this stock offering, estimated at $410,000, will be used as follows: $100,000 to continue the development of products and control techniques for incorporation into the company's present control systems; and the balance will be initially added to the general funds of the company for working capital purposes. Up to $82,000 of the proceeds of the offering together with other company funds may be used to redeem $100,000 of debentures.

There are now outstanding 451,284 common shares, of which 212,630 shares (47.1%) are owned by Charles D. Close, president and board chairman, and 61,118 (13.6%) by J. Lawrence Tecosky, executive vice president.

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CONNECTICUT WATER PROPOSES RIGHTS OFFERING

The Connecticut Water Company, Clinton, Conn., filed a registration statement (File 2-15116) with the SEC on May 15, 1959, seeking registration of 38,986 shares of common stock, of which 3[illegible]4 shares are to be offered for subscription by common stockholders of record June 3, 1959, at the [illegible]e of one new share for each four shares or fractions thereof then held. The remaining 982 shares are to be offered for subscription by employees. The subscription price and underwriting terms are to be supplied by amendment. Putnam & Co. is listed as the principal underwriter.

Net proceeds of the stock sale will be used to repay in part the company's outstanding bank loans, to finance part of its 1959 construction program, and for other purposes. Construction expenditures in 1958 amounted to $1,063,739; and for 1959 they are estimated at about $800,000.

ALSCO PROPOSES DEBENTURE OFFERING

Alsco, Inc., 225 South Forge St., Akron, Ohio, filed a registration statement (File 2-15117) with the SEC seeking registration of $4,000,000 of 5½% Convertible Subordinated Debentures due June 1974, to be offered for public sale at 100% of principal amount through an underwriting group headed by Hirsch & Co., Bache & Co., and Equitable Securities Corporation, which will receive a commission of 4%.

The principal operations of the company and its subsidiaries include the manufacture of aluminum sheet and products thereof such as lap-siding, awnings, aluminum extrusions and products thereof such as windows, doors, and curtain wall. Net proceeds of the debenture sale will be used as follows: $800,000 to reduce short term bank loans; $51,300 to liquidate the balance of loans from the Estate of Dora Sugar Weinstock advanced for construction purposes; $300,000 to prepay an installment on funded indebtedness; $116,200 to redeem all outstanding 1,089 shares of $100 par preferred stock of a subsidiary; some $600,000 for capital expenditures; and the balance for working capital.

The Company has outstanding 240,085 shares of common and 562,669 shares of Class B common stock. The prospectus lists Harry Sugar as board chairman and president and owner of 275,540 shares (48.98%) of the Class B common. Officers and directors as a group owned 63.98% of the Class B common and less than 1% of the common.

FOOD MART FILES FOR SECONDARY

Food Mart, Inc., 1000 Robert E. Lee Road, El Paso, Texas, filed a registration statement (File 2-15118) with the SEC on May 15, 1959, seeking registration of 162,025 outstanding shares of its common stock, to be offered for public sale by the holders thereof through an underwriting group headed by Shearson, Hammill & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company operates a retail food chain in Texas and southern New Mexico. It has outstanding 853,222 common shares (along with certain indebtedness). The prospectus lists three selling stockholders, as follows: Douglas B. Weed, a director, 54,075 shares; Janet W. Goetz, a director, 54,075; and J. Spencer Weed, as trustee under Indenture of Trust between J. Spencer Weed, Jr. and J. Spencer Weed, board chairman, 53,875. Douglas B. Weed, Janet W. Goetz, and the beneficiaries of the trust are children and grandchildren of J. Spencer Weed.

TECHNOLOGY INC. PROPOSES STOCK OFFERING

Technology, Inc., 1500 Massachusetts Ave., N. W., Washington, D. C., filed a registration statement (File 2-15119) with the SEC seeking registration of 325,000 shares of common stock, to be offered for public sale at $4 per share. The stock offering is to be made on a "best efforts" basis by E. L. Wolf Associates, Inc., of Washington, for which it will receive a selling commission of 60¢ per share. The underwriter also is entitled to receive an additional 20¢ per share sold as payment for expenses, and to purchase a maximum of 65,000 common stock purchase warrants at 1¢ per warrant, at the rate of 200 options for every 1,000 shares sold, the warrants being exercisable at $4 per share for one year and at $8 per share thereafter through July 1, 1964.

Organized in Delaware in March 1959, the company has entered into a contract to purchase 510,000 shares (not less than 51%) of the common stock and 40,000 shares (100%) of the 5% preferred stock of Microwave Electronic Tube Co., Inc., a Delaware corporation organized on April 13, 1959, for the purpose of manufacturing and developing microwave electronic tubes and devices. Both

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companies are in the promotional and developmental stage. The promoter and parent of Technology, Cominol Industries, Inc., has or will acquire 500,000 shares of its common stock for $100,000, or 20¢ per share. Technology has or will acquire a factory building in Salem, Mass., for lease to Microwave.

Technology has advanced $45,000 to Microwave as an advance against the subscription price of the common and preferred stock to be acquired; and it issued to Microwave five short term notes, aggregating $457,000, evidencing the obligation for payment of the balance of the subscription price. Upon payment of each installment of the subscription price represented by a note, Microwave will issue the shares represented by the payment made, or a total of 510,000 common shares, at 20¢ per share ($102,000) and all the preferred, at $10 per share ($400,000). 420,000 shares of Microwave common will be owned by individuals (including Richard J. Broderick and Harold Heins, directors of Technology) who are members of the operating staff of Microwave and who acquired their stock at 1¢ per share. Proceeds of the stock sale will be used to pay off in full the subscription for Microwave stock, represented by the notes, to pay for improvements upon the plant leased to Microwave, and for working capital.

The prospectus lists David J. Shamp as president and board chairman of Technology. The latter has outstanding 500,000 common shares, owned by Cominol Industries, Inc.

SAN DIEGO IMPERIAL FILES STOCK OFFERING PROPOSAL

San Diego Imperial Corporation, 1400 Fifth Ave., San Diego, Calif., today filed a registration statement (File 2-15120) with the SEC seeking registration of 1,450,000 shares of common stock, to be offered for public sale through an underwriting group headed by White, Weld & Co. and J. A. Hogle & Co. The public offering price and underwriting terms are to be supplied by amendment. In connection with the underwriting, the company is granting Hogle & Co. for $5,000, an option to purchase 50,000 additional shares within three years at the public offering price.

The company is engaged primarily in the business of holding the stocks of other companies. Its subsidiaries are Suburban Savings and Loan Association, Imperial Savings and Loan Association, South Bay Savings & Loan Association, Silver State Savings and Loan Association, American Savings and Loan Association, Chula Vista Investment Company and Silver State Insurance Agency, Inc. It now has outstanding (in addition to other securities) 2,405,190 shares of common stock. Net proceeds of the stock sale are to be used as follows: $3,950,000 to acquire substantially all of the outstanding stock of First Savings and Loan Association of Corpus Christi, Texas; $1,750,000 to repay two bank loans; $650,000 to make an advance to a subsidiary to be formed to acquire a lot in Dallas for use by American Savings and Loan Association; $350,000 to repay the remaining unpaid balance of the purchase price of the company's new office building; $78,450 to purchase the outstanding 5% minority interest in the capital stock of American Savings and Loan Association; and the balance to be added to general funds, to be applied for the most part toward the purchase of additional savings and loan associations as such acquisitions may become available.

McDONALD-KAISER ENJOINED

The SEC New York Regional Office announced May 14, 1959, that Judge Richard H. Levet (USDC, SDNY) had permanently enjoined McDonald, Kaiser and Co., Inc., and its president, Hugh McDonald, from further violation of anti-fraud provisions of the Securities Exchange Act. The injunction was obtained by default. (Lit. Release No. 1442).

PILGRIM SECURITIES REGISTRATION REVOKED

In a decision announced today, the Securities and Exchange Commission revoked the broker-dealer registration of Pilgrim Securities, Inc., 68 Devonshire St., Boston, for fraud in the sale of securities and other violations of the Federal Securities Laws. It also ruled that Joseph Leo Gruber, Jr., president and controlling stockholder, had actively participated in the violations and was a cause of the revocation order.

The Commission also found that the Securities Act registration requirements had been violated by Pilgrim Securities and Gruber in the sale of over 23,000 shares of Eagle Oil & Supply Co., Inc., to some 32 customers at $1.125 per share during the period May-September, 1957. Gruber also was president of Eagle. In the sale of some of this stock, false representations were made, according

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to the Commission's decision, that Eagle would pay dividends soon, that its sales quotas for 1[illegible] were in excess of $4,000,000 and that it expected profits of $300,000. There was no reasonable factual basis for these statements, Eagle having operated at a loss in 1956, its loss for the first six months of 1957 having exceeded the loss for the entire previous year, and sales of about $176,000 for 1956 having declined to about $54,000 for the first six months in 1957.

Other violations included the failure to furnish written confirmations of the sales of Eagle stock, and the later issuance of confirmations falsely dated October 23, 1957, presumably for the purpose of making it appear the sales had been made pursuant to a Regulation A exemption from registration (for which a notification was filed in August 1957). Moreover, Pilgrim Securities failed to keep any of the various records of its securities transactions required by Commission rules, and failed to correct its registration application to show that preferred stock held by Eagle had been retired and that additional preferred had been issued to six persons.

CREGER & CO. REGISTRATION REVOKED

The Securities and Exchange Commission today announced the revocation of the broker-dealer registration under the Securities Exchange Act of 1934 of J. D. Creger & Co., 13412 East Whittier Blvd., Whittier, Calif., for failure to comply with Commission rules on net capital and record keeping. The revocation was also based upon a Federal court injunction against violations of the net capital rule.

Creger & Co.'s registration lists James D. Creger as president and controlling stockholder. According to the Commission's decision, the company had a deficiency in its net capital as of January 31, 1957. To bring the company into compliance with the net capital rule, Creger then borrowed $5,400 from six persons and deposited that sum plus $900 of his own in the company's bank account on February 8, 1957; and advised the Commission Staff he would subordinate his claim for this amount to the claims of other creditors of the company. On February 20, 1957, he presented papers purporting to show that he had subordinated his claims to the claims of all present and future creditors of the company; and Creger agreed that the agreement would not be terminated or modified if the effect would serve to reduce the net capital of the company below the amount required by the rule.

Later examination by the Commission staff, however, revealed that on February 13 and 15 Creger & Co. had repaid $2,400 to five of the six persons from whom Creger had borrowed funds. No mention had been made of such repayments when Creger reported the subordination agreement.

Furthermore, according to the decision, an inspection of Creger & Co.'s books and records revealed that customer and broker accounts did not reflect the receipt and delivery of securities, the record of Creger & Co.'s long and short securities position was not accurate, the security ledger for purchases and sales for firm account had been posted only to November 1956, and the general ledger only to December 31, 1956. A September 16, 1957 decree of the U. S. District Court for the Southern District of California, Central Division, entered upon complaint of the Commission, enjoined Creger & Co. from the conduct of a securities business in violation of the net capital rule.

In view of the court decree and the violations of the bookkeeping and net capital rules, the Commission concluded that it was necessary in the public interest to revoke the broker-dealer registration of Creger & Co. In rejecting a request for withdrawal from registration, the Commission observed, among other things: "The record shows . . . that Creger did not act in good faith in connection with the subordination agreement and the deposit of funds for the avowed purpose of achieving compliance with the net capital rule."

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