

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 June 29, 1959

Statistical Release No. 1615

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended June 26, 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 | | Percent Change | 1959 | |
|--------------------------|------------|---------|-------------------|-------|-------|
| | 6/26/59 | 6/19/59 | | High | Low |
| Composite | 421.3 | 416.4 | +1.3 | 428.4 | 400.1 |
| Manufacturing | 524.9 | 518.1 | +1.3 | 531.7 | 490.7 |
| Durable Goods | 501.1* | 495.1 | +1.2 | 501.1 | 457.8 |
| Non-Durable Goods | 536.6 | 529.2 | +1.4 | 550.2 | 510.5 |
| Transportation | 363.3 | 357.2 | +1.7 | 366.0 | 340.7 |
| Utility | 212.7 | 210.3 | +1.1 | 231.8 | 208.6 |
| Trade, Finance & Service | 423.4* | 416.7 | +1.6 | 423.4 | 382.7 |
| Mining | 323.3 | 319.5 | +1.2 | 360.4 | 319.5 |

*New High

HEXCEL PRODUCTS PROPOSES STOCK OFFERING

Hexcel Products Inc., 2332 Fourth St., Berkeley, Calif., filed a registration statement (File 2-15277) with the SEC on June 26, 1959, seeking registration of 50,000 shares of capital stock, to be offered for public sale through an underwriting group headed by F. S. Smithers & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the design, development and manufacture of honeycomb cores, used principally for structural work. It has outstanding 194,624 shares of stock and \$670,877 of long-term debt. The company intends to apply a portion (\$315,000) of the proceeds of the stock sale to the discharge of a portion of such debt. The balance of the proceeds will be added to working capital and used for general corporate purposes. R. C. Steele, company president, and three other officials, together with members of their families, own 123,354 of the outstanding shares.

INTERSTATE LIFE FILES FOR SECONDARY

Interstate Life & Accident Insurance Company, 540 McCallie Ave., Chattanooga, Tenn., filed a registration statement (File 2-15278) with the SEC on June 26, 1959, seeking registration of 350,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through an underwriting group headed by Equitable Securities Corporation. The public offering price and underwriting terms are to be supplied by amendment.

Interstate Life has outstanding 2,984,267 common shares. The prospectus lists seven selling stockholders, whose holdings aggregate 904,175 shares. The largest blocks are held by H. Clay Evans, Jr., president, 219,577 shares; Joseph W. Johnson, Jr., vice president, 201,386; and David F. S. Johnson, vice president, 225,303. Each proposes to sell 63,497 shares. The Evans Foundation, Inc., proposes to sell 84,509 of its holdings of 128,952 shares; and three trusts propose to sell 25,000 shares each of their holdings of 42,984 shares each.

OVER

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

JEWEL TEA FILES EMPLOYEE STOCK PLAN

Jewel Tea Co., Inc., 1955 West North Ave., Melrose Park, Ill., filed a registration statement (File 2-15279) with the SEC on June 26, 1959, seeking registration of 28,902 shares of common stock, to be offered pursuant to its Plan for Sale of Common Stock to Employees of Jewel Tea Co. Inc. and its Subsidiary Corporations.

ST. REGIS PAPER FILES EXCHANGE OFFER

St. Regis Paper Company, 150 East 42nd St., New York, filed a registration statement (File 2-15280) with the SEC on June 26, 1959, seeking registration of 30,000 shares of its common stock. The company proposes to offer this stock in exchange for outstanding shares of common stock of Lone Star Bag & Bagging Company on the basis of .6782 of a share of St. Regis common for each share of Lone Star common.

St. Regis will declare the exchange offer effective if 95% of the outstanding shares of Lone Star common are deposited for exchange, and may elect to do so if a lesser percent, but not less than 30% of Lone Star shares, are so deposited. St. Regis' ownership of not less than 80% of all the Lone Star common will enable it to control the business operations and policies of Lone Star.

According to the prospectus, there are 40,000 (including 682 shares held in the treasury) shares of Lone Star common outstanding, and upon the contemplated merger of Lubbock Bag Co. into Lone Star, there will be a total of 44,235 shares outstanding. M. M. Feld, board chairman of Lone Star, now owns 29,261 shares of the outstanding stock.

AMERICAN-SAINT GOBAIN PROPOSES DEBENTURE OFFERING

American-Saint Gobain Corporation, 625 Madison Ave., New York, filed a registration statement (File 2-15281) with the SEC on June 26, 1959, seeking registration of \$11,221,500 of Subordinated (convertible) Debentures due 1983 and 544,314 shares of common stock. The company proposes to offer the debentures for subscription at 100% of principal amount by holders of its common stock, at the rate of \$100 of debentures for each 8 shares of common stock held. The interest rate, record date, and underwriting terms are to be supplied by amendment. The common stock also is to be offered for subscription by common stockholders, at the rate of 1 new share for each 3-1/3 shares held. The record date, subscription price and underwriting terms are to be supplied by amendment. F. Eberstadt & Co. is listed as the principal underwriter.

Societe Anonyme des Manufactures des Glaces et Produits Chimiques de Saint-Gobain, Chauny et Cirey, the company's parent, is purchasing 275,000 common shares at the subscription price to stockholders, under an option contract dated March 19, 1958, and 153,600 shares and \$6,400,000 of debentures, at the subscription prices, by exercising its subscription rights thereto.

The company manufactures and sells sheet glass, rolled glass, laminated safety glass and specialty glass products and intends, upon completion of its new plate glass plant, to manufacture and sell plate glass. The cost of constructing the new plant, plus related charges, is estimated at \$50,000,000. The new plant is projected for completion in 1962. To finance this construction, the company has entered into an agreement for the sale to The Prudential Insurance Company of America of up to \$33,000,000 of 6% First Mortgage Bonds due April 1, 1982 and warrants for the purchase of 200,000 shares of common stock at an aggregate consideration of \$33,000,000. The company also is offering its debentures and common shares, as set forth above. A portion of the net proceeds of the sale of the debentures and common stock will be applied to the retirement of \$3,950,000 of long-term debt, and the balance will be applied to the cost of constructing the new plant.

ALL-STATE PROPERTIES FILES FOR SECONDARY

All-State Properties, Inc., 30 Verbena Avenue, Floral Park, N. Y., filed a registration statement (File 2-15282) with the SEC on June 26, 1959, seeking registration of 38,697 outstanding shares of its \$1 par Capital Stock. According to the prospectus, the shares are to be offered for sale by the present holders thereof from time to time in the over-the-counter market or (if the shares are listed) on the American Stock Exchange at the then prevailing market price.

The company conducts a general real estate business, with emphasis on the construction and sale of single-family houses. It has outstanding 1,537,933 shares of stock in addition to some \$10.7 million debt. On June 9, 1959, it purchased certain securities of Montauk Beach Company, Inc., for which it paid \$1,541,757 in cash and issued \$596,760 of notes and 94,043 shares of capital stock. The shares are held by three individuals and two foundations, of which 33,697 are said to be freely available, and the balance has been deposited with Security Trust Company, Miami, Fla. The 33,697 shares are being sold by Grace Boyer (959 shares); McKillip's Foundation (1,576); S. H. McKillip's (3,761); Lindsay Hopkins Foundation (3,566); and Lindsay Hopkins (17,335).

INDEPENDENT TELEPHONE FILES FOR OFFERING

Independent Telephone Corporation, 25 South St., Dryden, N. Y., today filed a registration statement (File 2-15234) with the SEC seeking registration of 13,080 shares of 5% Cumulative Convertible Preferred Stock, Series A, \$10 par, and 806,793 shares of common stock, together with warrants for the purchase of 50,000 common shares.

According to the prospectus, 80,000 common shares are to be offered to nine payees of non-assignable convertible notes outstanding in the amount of \$500,000, for conversion of such notes into common shares at a conversion price of \$6.25 per share. The 13,080 preferred shares and 8,175 common shares are to be offered in exchange for the outstanding 327 shares of common stock of Farmers Union Telephone Company, a New Jersey corporation, on the basis of 40 shares of preferred and 25 shares of common for each share of common capital stock of Farmers Union.

The issuing company further proposes to offer 96,604 common shares to holders of its outstanding stock of record June 30, 1959, for subscription at \$6.25 per share on the basis of one new share for each two shares then held. No underwriting is involved. Hallgarten & Co. has purchased warrants for an aggregate of 50,000 shares of common stock. Of the remaining 572,014 common shares, a portion (13,080 shares) are issuable at any time upon conversion of the Series A preferred stock and 2,400 shares are issuable under a stock purchase option held by an officer of the company. The 556,534 balance may be issued from time to time in the acquisition of additional businesses or may be offered for cash sale.

Net proceeds of the sale of the warrants and the sale of the stock offered for subscription by stockholders will be added to the general funds of the company. Such funds will be utilized in making temporary advances to subsidiary companies and additional investments in their preferred and common stocks, for the payment of instalments on the purchase price of stocks of present subsidiaries under subsisting purchase agreements, and for the acquisition of additional telephone operating subsidiaries.

BROCKTON TAUNTON GAS FILES FOR RIGHTS OFFERING

Brockton Taunton Gas Company, 178 Atlantic Avenue, Boston, Mass., today filed a registration statement (File 2-15285) with the SEC seeking registration of 37,268 shares of common stock, to be offered for subscription by common stockholders of record July 29, 1959, on the basis of one new share for each eight shares then held. The subscription price and underwriting terms are to be supplied by amendment. The First Boston Corporation is listed as the principal underwriter.

Net proceeds of the stock sale will be applied towards the repayment of \$1,950,000 of short-term bank loans incurred for construction under the company's 1956-1958 construction programs, involving expenditures of about \$2,808,000. Expenditures for the 1959-1961 programs are estimated at \$1,400,000 in 1959, \$1,400,000 in 1960, and \$1,700,000 in 1961.

SEIBERLING RUBBER PROPOSES DEBENTURE OFFERING

Seiberling Rubber Company, Barberton, Ohio, today filed a registration statement (File 2-15286) with the SEC seeking registration of \$3,000,000 of Twenty Year Subordinated Debentures due July 15, 1979 (convertible), to be offered for public sale through an underwriting group headed by Eastman Dillon & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the sale of the debentures will be added to the company's general funds and will be used for general corporate purposes, including working capital and further modernization of plant and equipment.

ST. CLAIR SPECIALTY PROPOSES STOCK OFFERING

St. Clair Specialty Manufacturing Co., Inc., 120 Twenty-Fifth Ave., Bellwood, Ill., today files a registration statement (File 2-15288) with the SEC seeking registration of 30,000 shares of common stock, to be offered for public sale through Stifel, Nicolaus & Co., Inc., and Walston & Co., Inc. The offering price and underwriting terms are to be supplied by amendment.

The company prints and embosses decorative papers and foils and packages these and seals and tags for use in wrapping gifts and other items. It has outstanding 100,000 shares of common stock and \$350,000 of notes. Net proceeds of the sale of the stock will be applied in partial payment of its 5% note due April 1, 1961. Any funds in addition to the proceeds of the stock offering needed to pay said note will be derived from other funds of the company.

CITIZENS' ACCEPTANCE FILES EXCHANGE OFFER

Citizens' Acceptance Corporation, Georgetown, Del., today filed a registration statement (File 2-15287) with the SEC seeking registration of \$600,000 of Series F 6% Five Year Subordinated Debentures, to be offered to the present holders of the company's subordinated debentures in exchange, at face value, on the maturity dates of those securities so long as there are bonds remaining unsold in this offering. No bonds will be reserved for this exchange offering. The cash proceeds of this offering will be reduced to the extent that such exchanges are made. The public offering price is to be 100% of principal amount, with a 2% commission to the underwriters (1% on bonds issued in exchange). Officers and employees will serve as underwriters. Net cash proceeds of the debenture sale will be used to increase or maintain the working capital of the company but will be initially applied to the reduction of short-term notes due within one year. Part of the proceeds may also be used to retire outstanding subordinated debentures not exchanged.

EQUITY CORP. AND EQUITY GENERAL PROPOSE EXCHANGES

Equity General Corporation and Development Corporation of America, both of 103 Park Ave., New York, have filed registration statements seeking registration of securities, as follows: Equity General (File 2-15290), 500,000 shares of common stock and 149,478 shares of preferred stock; and Development Corp. (File 2-15289), 500,000 shares of common stock.

The Equity Corporation is the owner of 5,343,220 shares of Equity General common stock and proposes to offer 500,000 of such shares to the holders of Equity common in exchange therefor, on a one-for-one basis. Equity General is the owner of 2,399,504 shares of Development Corp. common and proposes to offer 500,000 of such shares to the holders of Equity General common in exchange therefor on a one-for-one basis. The board of directors of Equity General has authorized the issuance of a maximum of 149,478 shares of Equity General preferred stock in exchange for shares of preferred stock of Development Corp., on the basis of 1 share of Equity General preferred for 2 shares of Development Corp. preferred.

According to the prospectus, the management of Equity believes that many common stockholders of Equity may prefer to hold securities of Equity General or Development Corp. representing a more direct interest in underlying assets represented only indirectly by shares of Equity. The management of Equity General believes that holders of Development Corp. preferred may desire to acquire shares of Equity General preferred in exchange for shares of such Development Corp. preferred in order to acquire a security having a greater net asset coverage than Development Corp. preferred in a corporation having higher earnings experience to support the dividend payments on the preferred. Assuming complete acceptance of the Equity and Equity General offers, Equity will hold approximately 97.03% of the outstanding voting securities of Equity General and will continue to control such corporation, and Equity General will hold 81.47% of the outstanding voting securities of Development Corp. and will continue to control it.