

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST



Washington 25, D.C.

FOR RELEASE

August 12, 1957

Statistical Release No. 1473

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended August 9, 1957, for the composite and by major industry groups, compared with the preceding week and with the highs and lows for 1957, is as follows:

	<u>(1939 = 100)</u>		<u>Percent Change</u>	<u>1957</u>	
	<u>8/9/57</u>	<u>8/2/57</u>		<u>High</u>	<u>Low</u>
Composite	349.6	354.7	- 1.4	365.0	322.5
Manufacturing	450.9	457.8	- 1.5	472.5	405.7
Durable Goods	418.0	422.0	- 0.9	438.7	382.7
Non-Durable Goods	481.2	490.8	- 2.0	503.5	427.1
Transportation	290.4	299.8	- 3.1	317.5	286.1
Utility	155.8*	156.4	- 0.4	163.5	155.8
Trade, Finance & Service	285.5	288.1	- 0.9	292.1	274.8
Mining	358.7	372.3	- 3.7	402.3	340.5

* New low

Holding Company Act Release No. 13526

The SEC has issued an order authorizing The Columbia Gas System, Inc., New York holding company, to advance \$800,000 of new capital to its wholly-owned subsidiary, The Preston Oil Company, of Columbus, Ohio, for use in the latter's construction program. Preston is engaged in the production and sale of oil to non-affiliates, having the oil rights in most of the gas acreage owned or leased by Columbia's subsidiary gas companies. It proposes to engage in an oil drilling program, principally in Ohio, for the purpose of utilizing to the greatest extent the acreage owned or leased by such gas companies. Its 1957 construction program will involve expenditures estimated at \$1,364,600, requiring \$800,000 of new capital in addition to cash generated from internal sources. Columbia proposes to supply such new capital, to be evidenced by Preston's Installment Promissory Notes.

Investment Company Act Release No. 2572

Atlas Corporation, New York investment company, has applied to the SEC for an exemption order permitting the sale of certain securities of Walt Disney Productions to Goldman, Sachs & Co.; and the Commission has issued an order giving interested persons until August 22, 1957, to request a hearing thereon. Atlas owns 403,153 shares of Disney common; and it proposes to sell 400,000 shares to an underwriting

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

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group, to include and be represented by Goldman Sachs, Lehman Brothers, and Kidder, Peabody & Co. One of the directors of Atlas is a partner of Goldman Sachs. Because of such affiliation, sale of the Disney stock to Goldman Sachs is prohibited unless the Commission grants an exemption from such prohibition. After such sale, Atlas will continue to own the 3,153 shares of Disney common; and it presently intends to exercise warrants for the purchase of an additional 153,553 shares.

Securities Act Release No. 3825

Re: The Crowell-Collier Publishing Company

The SEC today announced the issuance of a report on its public investigation of the sale of \$4,000,000 of convertible debentures by Crowell-Collier in 1955 and 1956.

In its report, the Commission concluded that no exemption from the registration requirements of the Securities Act of 1933 was available for the Crowell-Collier debentures, or for the common stock into which they were convertible, and that "these transactions involved a public offering and sale of the debentures and stock in violation of the registration and prospectus provisions of that Act . . ." The securities have now been registered. For details, see Release No. 3825.

Securities Exchange Act Release No. 5563

The SEC also announced the institution of proceedings under the Securities Exchange Act of 1934 to determine whether the following offered and sold convertible debentures and common stock of The Crowell-Collier Publishing Company in wilful violation of the registration requirements of the Securities Act and, if so, whether their broker-dealer registrations should be revoked and/or whether they should be suspended or expelled from NASD membership:

Elliott & Company, New York
Dempsey & Company, Chicago
Gilligan, Will & Co., New York

<u>Hearing Date</u>	
	September 9, 1957
	September 10, 1957
	September 11, 1957

For details, see Release No. 5563.

Litigation Release No. 1146

The SEC further announced that Elliott & Co. and three of its partners, Edward L. Elliott, Richard Pistell, and Edward A. Walsh, had consented to the entry of a permanent decree of the U. S. District Court for the Southern District of New York, permanently enjoining them from selling securities of Crowell-Collier, or any other securities, in violation of the registration requirement of the Securities Act. For further details, see Release No. 1146.

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Empire Sun Valley Mining Corp., Jerome, Idaho, filed a registration statement (File 2-13529) with the SEC on August 9, 1957, seeking registration of 340,000 shares of its common stock. The company proposes to offer 200,000 common shares for public sale at \$3 per share. The offering is to be made on a "best efforts basis" by

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John Sherry Company, of New York, for which a 20% selling commission is to be paid. In addition, the company has agreed to reimburse the underwriter for expenses up to the sum of \$35,100. The underwriter also has the right to purchase 20,000 shares at 30¢ per share. The remaining 140,000 shares are to be offered for sale at \$1 per share to stockholders of Sun Valley Mining Corp.

Empire was organized under Delaware laws on June 14, 1956. Its mining properties are said to be located near Hailey, Idaho. Proceeds of this financing are to be used for purposes of exploring these properties, completion of tunnels, core drilling, rehabilitation of mill, and related work; engineering, accounting and legal fees; payment of the balance of the purchase price of the mines; and for working capital.

The company now has outstanding 220,000 common shares. Tom P. Costas of Park City, Utah, is listed as president. Louise Lindsey of Jerome, Idaho, is listed as the largest stockholder, 166,666 shares, or 75.7%.

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United Utilities, Incorporated, Abilene, Kansas, filed a registration statement (File 2-13530) with the SEC on August 9, 1957, seeking registration of 312,506 shares of its \$10 par Common Stock. The company proposes to offer these shares for subscription by stockholders of record August 28, 1957, at the rate of one additional share for each 6 shares then held. The subscription price and underwriting terms are to be supplied by amendment. Kidder, Peabody & Co. is listed as the principal underwriter.

According to the prospectus, United also has entered into agreements for the sale of \$2,500,000 of 6% Sinking Fund Debentures due 1982 to several institutional investors. The net proceeds of the sale of the debentures and common stock will be used as follows: \$1,000,000 to repay short-term bank borrowings incurred to finance construction requirements of subsidiaries, and the remainder to make investments in and/or advances to subsidiaries, to be applied by them to repay short-term bank borrowings incurred to finance construction requirements and for additional expenditures in connection with their construction programs. Gross construction expenditures during 1957 for United's subsidiaries are expected to amount to \$21,000,000.

United is a holding company owning all the common stocks of eleven principal telephone companies, 99.1% of the common stock of another principal telephone company (Oregon-Washington Telephone Company), all the common stocks of three smaller telephone companies, and certain other interests.

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New Haven Water Company, New Haven, Conn., filed a registration statement (File 2-13531) with the SEC on August 9, 1957, seeking registration of 60,000 shares of its \$50 par Capital Stock (Common). The company proposes to offer these shares for subscription at \$50 per share by stockholders of record September 16, 1957, at a ratio of one new share for each three shares then held. No underwriting is involved. However, the company will pay any NASD member who obtains the exercise of subscription rights by their holders the sum of 50¢ per share of common stock so subscribed.

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Net proceeds of the sale of the 60,000 common shares are to be applied to the reduction of outstanding bank loans. These loans for the most part represent borrowings for property extensions and improvements; and they are expected to approximate \$4,000,000 on September 30, 1957. The company invested approximately \$8,000,000 in property, plant and equipment between April 1, 1955 and June 30, 1957.

Securities Exchange Act Release No. 5564

The Securities and Exchange Commission today announced the issuance of an order pursuant to Section 19(a)(4) of the Securities Exchange Act of 1934, suspending trading on the American Stock Exchange in the \$1 par Capital Stock of Bellanca Corporation, New Castle, Delaware, for a further ten-day period, August 13 to August 22, 1957, inclusive.

The action was taken on the basis of Bellanca's failure to comply with the reporting requirements of Section 13 of the Act and the disclosure requirements of the Commission's proxy rules under Section 14.

Upon the basis of a finding by the Commission that such suspension is necessary to prevent fraudulent, deceptive, or manipulative acts or practices in connection with trading in Bellanca stock, trading by brokers and dealers in such stock in the over-the-counter markets also is prohibited during the period of the suspension.

The Commission previously ordered a hearing pursuant to Section 19(a)(2) of the Act on the question whether the Bellanca stock should be suspended for a period not exceeding 12 months, or withdrawn, from listing and registration on the Exchange. These proceedings are now in progress (see Release Nos. 5500 and 5544).

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