

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)

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FOR RELEASE November 26, 1962

Statistical Release No. 1865. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended November 23, 1962, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1962 is as follows:

	1957-59 = 100		Percent Change	1962	
	11/23/62	11/16/62		High	Low
Composite	125.5	122.8	+2.2	144.3	107.0
Manufacturing	116.7	114.2	+2.2	135.0	98.6
Durable Goods	113.7	110.8	+2.6	135.6	95.2
Non-Durable Goods	119.6	117.3	+2.0	134.4	101.8
Transportation	100.1	97.9	+2.2	111.0	85.5
Utility	164.8	161.6	+2.0	185.5	143.0
Trade, Finance & Service	149.4	146.4	+2.0	178.2	129.8
Mining	101.5	96.6	+5.1	113.3	83.8

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended November 21, 1962, 18 registration statements were filed, 23 became effective, 10 were withdrawn, and 457 were pending at the week end.

FARMBEST FILES FINANCING PLAN. Farmbest, Inc., Denison, Iowa, filed a registration statement (File 2-20901) with the SEC on November 21st seeking registration of 11,585 shares of common stock (non-dividend bearing) and \$200,000 of 15-year retain capital certificates (non-dividend bearing), to be offered for sale (without underwriting) only to producers of agricultural products and cooperative associations of such producers. The offering will be made at \$1 per share at 25¢ per unit of certificates.

Farmbest was organized as a cooperative marketing and purchasing association by The Consumers Cooperative Association for the purpose of providing a livestock marketing and processing service for farmers. It is intended that swine producers and cooperative associations of producers hold 60% of the common stock of Farmbest and CCA, 40%. In order to obtain these percentages of common stock ownership, if all of the common stock offered hereby is sold, it is intended that producers and associations of producers purchase 7,585 shares to increase their holdings to 12,000 shares and CCA purchase 4,000 shares to increase its holdings to 8,000 shares of common stock. The net proceeds from this financing will be applied to expansion, estimated at \$2,000,000 for fiscal 1963. In addition to certain indebtedness (including \$22,440 of retain capital certificates), Farmbest has outstanding 8,415 shares of common stock, of which CCA owns 48%. Homer Young is president of Farmbest and CCA.

WADE, WENGER ServiceMASTER PROPOSES DEBENTURE OFFERING. Wade, Wenger ServiceMaster Co., 2117-39 N.Wayne, Chicago, filed a registration statement (File 2-20902) with the SEC on November 23rd seeking registration of \$250,000 of 7% convertible subordinated debentures due 1973, to be offered for public sale (without underwriting) at 95% of principal amount. The statement also includes (1) 32,160 capital shares reserved for issuance upon exercise of outstanding warrants, (2) 55,000 outstanding Class B shares to be offered at 75¢ per share by the holders thereof to management officials and employees of the company, and (3) 55,000 capital shares reserved for issuance on a share for share basis upon conversion of the Class B shares (after January 1967).

The company is engaged in selling franchises for on-location cleaning (and related services) of carpets and rugs, furniture, floors, walls and ceilings; manufacturing and selling or leasing equipment to franchise operators; obtaining and servicing housekeeping contracts for the hospital field; and manufacturing cleaning materials and selling such materials and supplies to franchise operators, for use by them and sale at retail and to stores. Of the net proceeds from the debenture sale, \$150,000 will be used to pay short-term bank indebtedness and the balance will be added to general funds and used for general corporate purposes, including the financing of inventory and additional accounts receivable. In addition to certain indebtedness, the company has outstanding 61,410 capital shares and 220,000 Class B shares, of which latter stock Marion E. Wade, board chairman, Kenneth N. Hansen, president, and Robert L. Wenger, senior vice president, will own (after their sale of the 55,000 shares to other officials and employees) 27.3%, 23.9% and 11.4%, respectively. Management officials as a group own 4.3% of the outstanding capital shares.

SOUTHERN CO. SEEKS ORDER. The Southern Company, Birmingham registered holding company, Southern Services, Inc., a mutual service company in the Southern system, and Alabama Power Company, utility subsidiary of Southern, have applied to the SEC for an order under the Holding Company Act with regard to proposed modifications in the organization and conduct of business of the service company and related sales and acquisitions of securities and other assets; and the Commission has issued an order (Release 35-14749) giving interested persons until December 20, 1962 to request a hearing thereon. According to the application, the service company was qualified as such by a 1949 Commission order and is now seeking modification of that order so that 8 officers and 13 employees on the payroll of Southern may be transferred to the payroll of the service

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company and that related salaries and expenses be allocated among the system companies on the basis of benefits conferred; that the service company perform for associate companies, in addition to present services, executive, managerial, system coordinating and other services now being furnished to them by Southern at its own expense; that three subsidiaries now owning shares of the service company sell such to Southern; that the service company enter into a new service agreement with each associate company; that the service company's authorized but unissued capital stock be increased from 12,500 to 17,000 shares and that it sell to Southern 6,000 additional shares for \$300,000; that Southern sell at cost to the service company certain equipment and property now used by the officers and employees of Southern who are proposed to be transferred to the service company; and that Alabama sell to the service company, for \$100,000, equipment and property now being rented to the service company by Alabama.

COLUMBIA GAS SYSTEM SEEKS ORDERS. The Columbia Gas System, Inc., New York registered holding company, and its nonutility subsidiary companies, Atlantic Seaboard Corporation and Kentucky Gas Transmission Corporation, have applied to the SEC for orders under the Holding Company Act authorizing certain transactions, and the Commission has issued orders (Releases 35-14750 and 35-14751) giving interested persons until December 10, 1962, to request hearings thereon.

The application filed by Columbia Gas and Atlantic Seaboard requests authorization for Atlantic Seaboard to issue to Columbia Gas \$1,900,000 of installment promissory notes to be issued in consideration of the discharge by Columbia of an obligation of Seaboard arising from an emergency cash advance in the form of a non-interest bearing short-term loan in the amount of \$1,900,000. Such cash was used by Seaboard to make interim refunds to its customers pursuant to an order of The Federal Power Commission issued September 14, 1962. The revenues collected by Seaboard, subject to refund, were commingled with Seaboard's general funds and used for general corporate purposes.

The application filed by Columbia Gas and Kentucky Gas requests authorization for Kentucky Gas to borrow from Columbia Gas an amount up to \$2,000,000 as funds are required by Kentucky Gas in connection with its 1963 construction program.

OVERLAND CORP. SEEKS ORDER. The Overland Corporation, Toledo closed-end investment company, has applied to the SEC for an order under the Investment Company Act approving certain transactions incident to the proposed merger of Empire Securities, Inc., a Delaware company, into Overland; and the Commission has issued an order (Release IC-3580) giving interested persons until December 7, 1962 to request a hearing thereon. According to the application, Empire owns 96.85% (1,022,602 shares) of the outstanding capital stock of Overland. Under the proposal, each Overland stockholder (other than Empire) will receive for each share of his Overland capital stock the sum of \$22.75 a share and a certificate to be issued by Overland which will entitle the holder of each share of Overland stock, upon surrender and final distribution of the balance in a Special Reserve, to receive a proportionate share of the balance in such Reserve at the time of its distribution and, in the event Overland determines to liquidate completely (prior to December 1965) to receive an additional 76¢ per share.

ELECTRO-TEC FILES STOCK PLAN. Electro-Tec Corp., 1 Henderson Drive, West Caldwell, N. J., filed a registration statement (File 2-20903) with the SEC on November 23rd seeking registration of 30,000 shares of common stock, to be offered pursuant to its Executives' and Key Employees' Restricted Stock Option Plan.

LIBBEY-OWENS-FORD FILES STOCK PLAN. Libbey-Owens-Ford Glass Company, 811 Madison Avenue, Toledo, Ohio, filed a registration statement (File 2-20904) with the SEC on November 23rd seeking registration of 41,352 shares of common stock, to be offered pursuant to its Employee Stock Option Plan.

SECURITIES ACT REGISTRATIONS. Effective November 20: Pacific Gas and Electric Co. (File 2-20862). Effective November 23: Jetric Industries, Inc. (File 2-20707); Majestic Utilities Corp. (File 2-20628). Withdrawn November 21: Centco Industries Corp. (File 2-20306); Consumers Mart of America, Inc. (File 2-19616); Jamaica Public Service Limited (File 2-20166).

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