

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



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EASTERN SHORE PS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15477) authorizing The Eastern Shore Public Service Company of Maryland, Salisbury, Md., subsidiary of the Delaware Power & Light Co., to sell \$3,500,000 of notes to the parent company. According to the application, the subsidiary will use the proceeds of the note sale in connection with its construction program (estimated to cost \$4,685,555 in 1966).

PENNSYLVANIA ELECTRIC SEEKS ORDER. Pennsylvania Electric Company, Johnstown, Pa., electric-utility subsidiary of General Public Utilities Corp., has applied to the SEC for an order under the Holding Company Act authorizing it to sell to banks by May 31, 1967, promissory notes aggregating \$38,400,000 (including \$16,000,000 of short-term notes already issued). The Commission has issued an order (Release 35-15478) giving interested persons until June 10 to request a hearing thereon. Penelec intends to use the proceeds of its note sale for construction expenditures, to retire 40,000 shares of preferred stock, and to pay outstanding short-term notes, the proceeds of which have been used for construction. Its 1966 construction program is estimated to cost \$51,000,000.

GEORGIA POWER SEEKS ORDER. Georgia Power Company, Atlanta, Ga., electric-utility subsidiary of The Southern Co., has applied to the SEC for an order under the Holding Company Act authorizing it to sell at competitive bidding \$50,000,000 of first mortgage bonds (due 1996) and 50,000 shares of its cumulative preferred stock; and the Commission has issued an order (Release 35-15479) giving interested persons until June 14 to request a hearing thereon. The company proposes to use the proceeds of this financing, together with funds available from other sources, to finance its 1966 construction program (estimated at \$114,211,000), to reimburse its treasury for the retirement of previously outstanding bonds, and to pay short-term bank loans.

POTOMAC EDISON RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15480) authorizing The Potomac Edison Co., Frederick, Md., registered holding company, to acquire common stock from three of its subsidiaries, The Potomac Edison Co. of Pennsylvania (PE-PA.), The Potomac Edison Co. of Virginia (PE-Va.), and The Potomac Edison Co. of West Virginia (PE-W.Va.). According to the application, the parent company proposes to acquire 120,000 shares from PE-Pa. for \$600,000; 11,000 shares of PE-Va. for \$1,100,000; and 7,500 shares from PE-W.Va. for \$750,000. The subsidiaries intend to use the proceeds for property additions and improvements.

OXFORD CUMULATIVE TRUST TO BE DE-REGISTERED. The SEC has issued an order under the Investment Company Act (Release IC-4605) giving interested persons until June 3 to request a hearing on its motion to declare that Oxford Cumulative Trust Fund, Atlanta, Ga., has ceased to be an investment company. By letter dated April 12, 1966, to the Commission, R. Means Davis, treasurer, Oxford Distributor Corp., sponsor of the Fund, states that the Fund has no assets and has not issued, nor does it intend to issue any securities.

LIFE STOCK EXCHANGE FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4606) exempting Life Stock Exchange Fund, Inc., New York, open-end diversified management investment company, from the \$100,000 minimum net capital provisions of the Act. The applicant proposes to offer 1,250,000 shares of its common stock in exchange for securities of the character of those included in a list set forth in its prospectus.

UNLISTED TRADING SOUGHT. The SEC has issued orders under the Securities Exchange Act giving interested persons until June 2 to request a hearing on applications of (1) the Boston Stock Exchange for unlisted trading privileges in the common stocks of American Biltrite Rubber Co., Inc., Bobbie Brooks, Inc., Consolidated Foods Corp., Draper Corp., Houston Lighting & Power Co., National Airlines, Inc., Philadelphia & Reading Corp., and Shamrock Oil & Gas Corp., and (2) the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stocks of Zayre Corp. and Slick Corp.

DELISTING GRANTED. The SEC has issued an order under the Securities Exchange Act granting an application of the American Stock Exchange to strike from listing and registration the common stock and 6% convertible subordinated debentures (due 1976) of Continental Vending Machine Corp., effective at the opening of business on May 31. According to the application, the company does not meet the Exchange's standards for continued listing.

KVASNICKA, MURPHY AND MEYER SENTENCED. The SEC San Francisco Regional Office announced May 16 (LR-3510) that, following their conviction of violating the Securities Act anti-fraud and registration provisions in the sale of oil and gas interests, Virgil D. Kvasnicka, Mountain Home, Ida., and Eugene M. Murphy, Longmont, Colo., were each sentenced to one year's imprisonment and a \$1,000 fine, the execution of which was suspended and each was placed on probation for two years (USDC, Los Angeles). John C. Meyer received a 75-year sentence; he is to be placed in an institution for mental observation, after which the sentence will be reviewed on the basis of the institution's findings.

OVER

GENERAL INTERIORS PROPOSES OFFERING. General Interiors Corporation, North Tenth St., Lewisburg, Pa., filed a registration statement (File 2-25015) with the SEC on May 18 seeking registration of \$2,800,000 of convertible subordinated debentures (due 1986). The debentures are to be offered for public sale through underwriters headed by Laird & Company, Corporation, 61 Broadway, and Reynolds & Co., 120 Broadway, both of New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Organized under Maryland law in 1963, the company succeeded to the business of manufacturing and selling wood and upholstered furniture formerly conducted by Lewisburg Chair and Furniture Co. and H. T. Cushman Manufacturing Co. Net proceeds of its debenture sale will be applied to the \$3,610,000 purchase price of Kittinger Co., Inc., a furniture manufacturer which the company proposes to acquire about June 30. The company also contemplates expending \$2,700,000 to expend its present facilities. In addition to indebtedness, it has outstanding 651,800 common shares, of which management officials own 10.4% and Morgan Guaranty Trust Co. of New York, as trustee of a commingled trust, owns 14.1%. Colin C. Carpi is board chairman and president of the company.

SIX STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

Cole National Corporation, 5777 Grant Ave., Cleveland, Ohio 44105 (File 2-25010) (25,000 shares)
 Kroehler Mfg. Co., 222 E. Fifth Ave., Naperville, Ill. 60540 (File 2-25013) (25,000 shares)
 Milo Electronics Corp., 530 Canal St., New York 10013 (File 2-25016) (50,000 shares)
 Ryder System, Inc., 2701 S. Bayshore Dr., Miami, Fla. 33133 (File 2-25017) (100,000 shares)
 Morton's Shoe Stores, Inc., 184 Everett St., Allston, Mass. 02134 (File 2-25018) (50,000 shares)

An additional stock plan was filed on Form S-1, as follows:

Jewel Tea Co., Inc., 135 S. LaSalle St., Chicago, Ill. 60603 (File 2-25011) (276,252 shares)

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

<u>File No.</u>	<u>O-Registrant</u>	<u>Location</u>
2074	Consultants & Designers Inc **	New York, New York
2078	Mississippi River Trans. Corp**	St. Louis, Mo.
2109	The Dreyfus Corp**	New York, N.Y.
2114	The New Hampshire Jockey Club, Inc**	Salem, N.H.
2115	Keystone Valve Corp**	Houston, Texas
2116	The Falk Corp**	Milwaukee, Wisc.
2117	Keuffel & Esser Co**	Hoboken, N.J.
2118	First Research Corp**	Miami, Fla.
2119	Beeline Fashions, Inc**	Bensenville, Ill.
2120	Equity Funding Corp**	Beverly Hills, Calif.
2121	Allied Equities Corp**	San Fran. Calif.
2122	Kearney-Natl. Inc**	St. Louis, Miss.
2126	Taylor Intl. Corp**	Miami, Fla.

SECURITIES ACT REGISTRATIONS. Effective May 18: Itek Corp., 2-24861 (June 28); International Paper Co., 2-24846; National Steel Corp., 2-24857; Potomac Electric Power Co., 2-24747 (40 days); United States Freight Co., 2-24563. Effective May 19: Citicities Service Co., 2-24882; Revlon, Inc., 2-24824; United Air Lines, Inc., 2-24922. Withdrawn May 18: Marshall T. Young Productions, Inc., 2-23108.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.