

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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SEC

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**NEES RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-15824) authorizing the New England Electric System, Boston, Mass., to amend the indenture relating to its \$43,476,000 of outstanding 3-1/4% debentures due 1977. NEES issued the debentures (originally in the amount of \$75,000,000) along with \$10,000,000 of ten-year serial notes pursuant to a 1947 order of the Commission. The debenture indenture contained covenants specifying the amount of funded debt and preferred stock that might be issued by subsidiary companies and funded debt that might be issued by NEES. NEES now proposes to amend the indenture to substitute (for security issues) tests based upon consolidated capitalization and surplus in place of the present test based upon consolidated net assets. As amended, the indenture will permit a maximum consolidated funded debt ratio of 65% of consolidated capitalization and surplus and will reduce the maximum funded debt of NEES itself to 15% thereof. In addition, it will provide for a minimum consolidated common-share equity ratio of 30%.

**MONMOUTH CAPITAL PROPOSES RIGHTS OFFERING.** Monmouth Capital Corporation, First State Bank Building, P.O. Box 480, Toms River, N.J. 08753, filed a registration statement (File 2-27109) with the SEC on August 17 seeking registration of 49,434 shares of common stock. The shares are to be offered for subscription by holders of its common stock at the rate of one additional share for each five shares held. The record date and subscription price (\$10.00 per share maximum\*) are to be supplied by amendment.

The company is a closed-end non-diversified management investment company and is a licensee of the Small Business Administration. In addition to indebtedness, it has outstanding 247,170 common shares, of which management officials own 19.42%. Boniface DeBlasio is board chairman and Eugene W. Landy is president.

**PRUDENTIAL FUNDS PROPOSES OFFERING.** Prudential Funds, Inc., One Rockefeller Plaza, New York, N.Y. 10020, filed a registration statement (File 2-27110) with the SEC on August 18 seeking registration of 1,400 units in its 1967 Annual Drilling Fund--Series Fifteen, to be offered for public sale at \$5,000 per unit.

Organized under Delaware law in 1965, the company is a wholly-owned subsidiary of Prudential Equities Corp. (formerly Prudential Oil Corporation); in July 1966 it took over the oil and gas management business of the parent company. Net proceeds from the sale of the units will be used to finance the acquisition, testing, development and operation of oil and gas leaseholds. Nathan M. Shippee is president of the company.

**DENMARK PROPOSES OFFERING.** The Kingdom of Denmark (Agent's address in the United States: 3200 Whitehaven St., N.W., Washington, D.C.) filed a registration statement (File 2-27111) with the SEC on August 18 seeking registration of \$25,000,000 of fifteen year external loan bonds. The bonds are to be offered for public sale through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York, N.Y. 10005, and three other firms. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

The net proceeds to be received from the sale of the bonds will be added initially to Denmark's foreign exchange reserves and will be applied to the acquisition of capital equipment required for the development of the Danish economy.

**SOUTHWEST FOREST INDUSTRIES PROPOSES OFFERING.** Southwest Forest Industries, Inc., 300 West Osborn Road, Phoenix, Ariz. 85011, filed a registration statement (File 2-27112) with the SEC on August 18 seeking registration of 175,000 shares of cumulative convertible preferred stock. The shares are to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad St., New York, N.Y. 10005; the dividend rate, public offering price (\$20.00 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of lumber and wood products and paper and paper products. The net proceeds of the sale of the stock will be applied to the payment of bank indebtedness. In addition to indebtedness and preferred stock, the company has outstanding 1,784,215 common shares, of which The Hearst Corporation owns 21.6% and management officials 28.5% (including 14.3% owned by Claud B. Hamill, a director). James B. Edens is president.

**RESTAURANT & WALDORF PROPOSES OFFERING.** Restaurant & Waldorf Associates, Inc., 1540 Broadway, New York, N.Y. 10036 filed a registration statement (File 2-27113) with the SEC on August 18 seeking registration of 200,000 shares of common stock. The shares are to be offered for public sale through underwriters headed by Hayden Stone Incorporated, 25 Broad St., New York, N.Y. 10004; the offering price (\$15.00 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company operates a variety of restaurants, snack bars, coffee shops and cafeterias. Of the net proceeds of its sale of stock, \$1,000,000 will be applied to prepay a portion of the company's outstanding notes issued in May 1967 in connection with the purchase of common stock of Frank G. Shattuck Co., owner of the Schrafft's chain of restaurants and the Shattuck commercial feeding and frozen foods operations; the balance will be added to the general funds of the company. In addition to indebtedness, the company has outstanding 1,295,004 common shares, of which management officials own 13.1%. Martin Brody is board chairman and president.

**TECHNICAL TAPE PROPOSES DEBENTURE OFFERING.** Technical Tape, Inc., 240 North Ave., New Rochelle, N.Y. 10801, filed a registration statement (File 2-27114) with the SEC on August 18 seeking registration of \$8,000,000 of convertible subordinated debentures, due 1982. The debentures are to be offered for public sale through underwriters headed by S. D. Fuller & Co., 26 Broadway, New York, N.Y. 10005. The interest rate public offering price, and underwriting terms are to be supplied by amendment. The company has agreed to sell to the underwriter 60,000 five-year common stock purchase warrants at 1¢ per warrant, and 15,000 such warrant in lieu of a finder's fee to Henry Kohn.

The company is engaged in the manufacture of a broad line of masking, cellophane, electrical, cloth and other pressure sensitive tapes used in commerce, industry and the home, labeling machines, garment, laundry, industrial and commercial polyethylene bags, self-attaching envelopes, Christmas gift wrap, textured wall covering, as well as steel castings sold principally to the automotive industry. Of the net proceeds to be received from its sale of debentures, \$4,300,000 will be used to repay advances by a finance company; \$1,100,000 for the repayment of certain notes and mortgages; \$700,000 for the repayment of inventory loans; and the balance of \$1,260,000 for working capital. In addition to indebtedness, the company has outstanding 2,086,950 common shares, of which management officials own 24.9% (including 21% owned by Paul Cohen, board chairman, and his wife). Floyd Hansen is president.

**NORTHERN STATES PROPOSES OFFERING.** Northern States Power Company, 414 Nicollet Mall, Minneapolis, Minn. 55401, filed a registration statement (File 2-27117) with the SEC on August 21 seeking registration of \$30,000,000 of first mortgage bonds, due 1997, to be offered for public sale at competitive bidding.

An electric utility, the company will add the net proceeds of the bonds to its general funds and part will be used to prepay some of the \$50 million of outstanding short-term borrowings incurred in connection with its construction program (estimated at \$112 million for 1967 and \$554 million for the five-year period 1968-1972).

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended August 17, 1967, 34 registration statements were filed, 44 became effective, 2 were withdrawn, and 416 were pending at the week-end.

**SECURITIES ACT REGISTRATIONS.** Effective August 18: Coffee-Mat Corporation, 2-27039; Colwell Company, 2-27062 (90 days); Emery Industries, Inc., 2-27015; Marine Midland Corporation, 2-26818.

**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.

\*As estimated for purposes of computing the registration fee.

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