

# 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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**PACIFIC GAS AND ELECTRIC PROPOSES BOND OFFERING.** Pacific Gas and Electric Company, 245 Market Street, San Francisco, filed a registration statement (File 2-18836) with the SEC on September 1st seeking registration of \$60,000,000 of First and Refunding Mortgage Bonds, Series GG, due 1993, to be offered for public sale at competitive bidding. Net proceeds from the bond sale will become part of the treasury funds and will be applied toward the cost of additions to the utility properties of the company. Gross expenditures for the six months ended June 30, 1961 amount to about \$110,400,000, and it is estimated that such expenditures for the full year 1961 will amount to about \$235,000,000 and for the year 1962 to \$208,000,000.

**METAL BELLOWS CORP. FILES FOR OFFERING AND SECONDARY.** Metal Bellows Corporation, 27 Mica Lane, Wellesley, Mass., filed a registration statement (File 2-18837) with the SEC on September 1st seeking registration of 140,000 shares of common stock, of which 120,000 shares are to be offered for public sale by the company and 20,000 shares, being outstanding stock, by Radford Crane, a director. The offering will be made through underwriters headed by Estabrook & Co. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 4,634 common shares underlying five-year options to be issued to the principal underwriter, exercisable at a price to be supplied by amendment.

The business of the company is the design, manufacture and sale of welded diaphragm bellows. These bellows are used as components (such as pressure sensors, as volume compensators for gyroscopes, accelerometers and other hermetically sealed floated instruments, and as seals, flexible connectors and expansion joints) in auto pilots, air data systems, jet engine fuel controls and other systems, instruments and control mechanisms. Net proceeds from the company's sale of additional stock will be used to move the main plant to new and larger quarters (\$50,000), for furniture and capital equipment, primarily to equip the proposed plant and also to reduce the company's reliance on subcontracts (\$120,000), for research and development (\$150,000), for payment of unpaid balance of notes payable, and for working capital.

In addition to certain indebtedness, the company has outstanding 373,904 shares of common stock, of which Raymond Shamie, president, Walter L. Benson, treasurer, and William R. Funk, Jr., vice president, own 21.4% each. Crane owns 37,392 shares and proposes to sell the 20,000 shares.

**ESSEX GREEN SHOPPING PLAZA FILES FOR OFFERING.** Essex Green Shopping Plaza Associates, 320 Park Avenue, New York, filed a registration statement (File 2-18831) with the SEC on September 1st seeking registration of \$1,683,000 of limited partnership interests, to be offered for public sale at \$5,000 per unit through Interamerica Securities Corp. (wholly owned by Jules Yablok, a general partner), which will receive a \$450 per unit commission.

Associates is a limited partnership organized under New York law in August 1961 to acquire (indirectly) the Essex Green Shopping Center in West Orange, New Jersey. Essex Green Freeway Shopping Center, Inc., a newly organized New Jersey company, has a contract by way of assignment to purchase the shopping center, and Associates has a contract to purchase all of the capital stock of the said company. In August Dinkler Management Corporation entered into an agreement pursuant to which it assigned all of its rights, title and interest to the purchase contract covering the shopping center (previously entered into between Dinkler and Essex Green, Incorporated for an aggregate purchase price of \$6,190,000), to Jules Yablok, as nominee for Samuel Nadelson, Harvey M. Harrison, and himself (general partners) and Lewis Gittler and O. Taft Nelso (original limited partners). The Yablok group, which assigned its interest in the contract to Associates, paid Dinkler \$100,000 as a deposit and agreed to pay \$130,000 upon acquisition of title, and an additional \$25,000 per year, under certain conditions, until an additional \$75,000 has been paid. Associates will assign all rights therein to the new New Jersey company. Of the net proceeds from the sale of additional interests, \$1,320,000 will be used to acquire title to the property, the purchase of which will be financed in part by the issuance of first and second mortgages. The general partners have agreed to pay all costs and expenses connected with the acquisition of the property (other than the purchase price) and certain other costs and to make up to \$75,000 available for working capital for the fixed amount of \$363,000.

The capitalization of the partnership will be \$1,833,000 consisting of \$63,750 of general partnership interests and \$86,250 of subordinated limited partnership interests (in consideration for the assignment of the contract by the Yablok group), and \$1,683,000 of unsubordinated limited partnership interests which are being offered for public sale.

**OLYMPIA MINES FILES FOR STOCK OFFERING.** Olympia Mines Inc., 44 Court Street, Brooklyn, New York, filed a registration statement (File 2-18838) with the SEC on September 1st seeking registration of 300,000 shares of capital stock, to be offered for public sale at \$1.35 per share. The offering will be made by Gaumont Corporation Limited, of Toronto, which will receive a 25% commission and an additional 5% to cover the cost of distribution. The registration statement also includes 60,000 outstanding shares to be donated to the underwriter by Maurice Schack, a vice president, to be sold to the public at the rate of one share for each five company shares sold, with the total proceeds of the sale of the donated stock going to the underwriter. The underwriter is obligated to take and pay for only such securities as it may sell to the public.

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The company was organized under Delaware law in January 1961 to engage in the business of exploration and development of mining. The company owns 39,995 capital shares (of a total capitalization of 40,000 shares) of Machin Mines Limited, an Ontario corporation organized in July 1961. Machin owns seven patented mining claims and one license of occupation in Glass Township on Hell Diver Bay in Ontario, comprising about 636 acres. These claims were acquired from Schack in consideration for 39,995 Machin shares which were subsequently transferred to the company in exchange for 787,500 shares of the company. Of the \$281,250 estimated net proceeds from the stock sale, a portion will be used to do exploratory work on the company's claims, and the balance for running expenses and to do further exploratory work on any favorable results obtained from such exploration.

The company has outstanding 787,505 shares of capital stock, of which Schack owns over 89% and Barbara Machin, a director, 10%. Louis H. Nerlich is listed as president.

**SIERRA CAPITAL FILES FOR STOCK OFFERING.** Sierra Capital Company, 105 Montgomery Street, San Francisco, California, filed a registration statement (File 2-18840) with the SEC on September 5th seeking registration of 1,000,000 shares of capital stock, to be offered for public sale on an all or none basis through underwriters headed by C. E. Unterberg, Towbin Co. The public offering price and underwriting terms are to be supplied by amendment.

Organized under California law in June 1960, the company is licensed as a small business investment company under the Small Business Investment Act of 1958 and is also registered under the Investment Company Act of 1940 as a closed-end, non-diversified, management investment company. The net proceeds from the stock sale will be added to general funds and used to finance the company's business of providing equity capital and long-term loans to small businesses and rendering advisory and management counseling services to such concerns. The company does not limit itself to investments in concerns engaged in any particular industry. A portion of such proceeds may be used to retire all or part of its outstanding 5% 20-year subordinated debenture held by the Small Business Administration.

In addition to certain indebtedness, the company has outstanding 48,750 shares of capital stock (after giving effect to a 1.50-for-1 stock split in August 1961), of which management officials and members of the Investment Committee of the company as a group own 44.6%, John N. Rosekrans is listed as board chairman and Richard N. Goldman as president.

**FMC CORP. PROPOSES DEBENTURE OFFERING.** FMC Corporation, 1105 Coleman Avenue, San Jose, California, filed a registration statement (File 2-18842) with the SEC on September 5th seeking registration of \$30,000,000 of convertible subordinated debentures due 1981, to be offered for public sale on an all or none basis through underwriters headed by Kidder, Peabody & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company's products are diversified and include industrial and agricultural chemicals, agricultural and industrial equipment, machinery for food processing, and material and services for the Armed Forces. The net proceeds from the debenture sale will be added to general funds and will be available for any corporate purposes, including payment of 2½% sinking fund debentures due 1962 (\$4,000,000 when due), modernization and expansion of facilities (expected to amount to about \$25,000,000 in 1961), additional investment in new and existing lines of machinery for leasing in the United States and abroad, and addition to working capital for chemical, defense and machinery operations and for expansion of internal sales.

In addition to certain indebtedness and preferred stock, the company has outstanding 7,085,479 shares of common stock, of which management officials as a group own 1.4%. Paul L. Davies is listed as board chairman, John D. Crummev as honorary board chairman, and James M. Hait as president.

**SECOND CENTENNIAL FUND SEEKS ORDER.** Second Centennial Fund, Inc., Denver, has applied to the SEC under the Investment Company Act for a further order extending the company's temporary exemption from compliance with certain provisions of that Act; and the Commission has issued an order (Rel IC-3322) giving interested persons until September 13, 1961, to request a hearing thereon. Under a previous order, the Commission granted an exemption to the Fund and Centennial Management and Research Corporation, its investment adviser, from the requirement that an investment advisory contract be approved by the vote of a majority of the outstanding voting securities of the Fund; and the order further exempted the Fund and its several directors from a provision of the Act prohibiting a director from serving as a director unless elected by the holders of its outstanding voting securities. The exemptions extend through September 15th or the date of the Fund's first meeting of shareholders, whichever first occurs; and the Fund seeks an extension of the exemption until the date of the first annual meeting of shareholders, to be held on or before April 10, 1962, or alternatively until a date not earlier than November 15, 1961.

**LONDON HOUSE FILES FOR OFFERING.** London House Associates, 10 East 44th Street, New York, filed a registration statement (File 2-18841) with the SEC on September 5th seeking registration of \$415,000 of Limited Partnership Units, to be offered for public sale at \$10,000 per unit. The offering will be made on a "best efforts" basis by Joel J. Bloch, Bernard Fleischman and George Krupp, general partners, who will receive no compensation therefor.

Associates is a limited partnership organized under New York law by the said general partners together with I. Jack Fisher and Louis Jacobson as the original limited partners. It was formed for the purpose of simultaneously acquiring the building lease on the London Guarantee Building (recently renamed the Stone Container Building) in Chicago, and granting an operating lease to Chicago Title and Trust Co. as Trustee. Collins, Tuttle and Co., Inc., is managing agent of the building and will operate it under the lease to be granted to Chicago Title. The partners entered into an agreement to purchase the leasehold for \$350,000 from Chicago Title, as Trustee, and to grant them the operating lease. The partners assigned the contract to Associates in exchange for \$43,000 in subordinate limited partnership interests. The building has a

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first mortgage held by the Massachusetts Mutual Life Insurance Company of Springfield in the original sum of \$3,500,000 which is now reduced to approximately \$3,195,000. The \$415,000 estimated net proceeds from the sale of partnerships will be used to pay the purchase price and to reimburse the general partners for expenses incurred or to be incurred by them in connection with the offering (included 8% commission to be paid to broker, dealers and salesmen if retained).

**TEXAS GAS PRODUCING CO. FILES FINANCING PLAN.** Texas Gas Producing Company, 731 Meadows Building, Dallas, Texas, filed a registration statement (File 2-18843) with the SEC on September 5th seeking registration of \$315,000 of 5½% subordinated convertible debentures due 1973 and 10,500 shares of common stock, to be offered for public sale in units, each consisting of \$90 of debentures and three common shares. The offering will be made on an all or none basis by Equitable Securities Corporation. The public offering price and underwriting terms are to be supplied by amendment.

The company (formerly Textron Oil Corporation) is engaged in the production and sale of crude oil and natural gas from oil and gas properties located in Texas. It also owns an undivided interest in two gas gathering systems in South Texas and operates oil and gas properties for others for management fees. Of the net proceeds from the sale of units, \$198,000 will be used to pay short-term notes incurred to acquire oil properties in Carson County, Texas and interests in the two gas gathering systems, \$16,000 to discharge indebtedness against the company's interest in one of such systems, and the balance will be added to working capital and used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 319,277 shares of common stock (after giving effect to an adjustment on a 7-for-1 basis by a stock split and stock dividend in September 1961), of which Roy R. Thompson, Jr., president, and A. D. Martin and Frank H. Heller, directors, own 16.8%, 11.1% and 16.9%, respectively.

**NEW ENGLAND TELEPHONE AND TELEGRAPH FILES EXCHANGE PLAN.** New England Telephone and Telegraph Company, 185 Franklin Street, Boston, today filed a registration statement (File 2-18844) with the SEC seeking registration of 10,516 shares of capital stock. It is proposed to offer such stock to holders of the 10,516 capital shares of Westerly Automatic Telephone Company, not now owned by the company, in exchange for such shares on a share for share basis. The company now owns 26,680 outstanding shares (71.73%) of Westerly.

**INTERNATIONAL HOUSE OF PANCAKES OFFERING CLARIFIED.** In the SEC News Digest of August 31st, reference was made to the proposed offering of debentures and common stock of The International House of Pancakes Inc., of North Hollywood, Calif., through underwriters headed by L. F. Rothschild & Co. The underwriting is on a firm commitment basis.

**UNITED CREDIT CORP. OFFERING SUSPENDED.** The Securities and Exchange Commission has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by United Credit Corporation, 905 Columbus Street, Rapid City, South Dakota.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed in August 1959, United Credit proposed the public offering of 125,280 shares of capital stock at \$2 per share and 24,702 shares for services (for an aggregate offering price of \$250,560). The Commission asserts in its suspension order that it has "reasonable cause to believe" (a) that certain terms and conditions of Regulation A were not complied with by United Credit, in that it failed to file a revised offering circular and failed to file a report of stock sales for the six-month period ended May 30, 1961, and (b) that the company failed to cooperate by reason of its refusal to respond to numerous requests of the Commission's staff with respect to the filing of a revised offering circular and report of sales. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

**SEC COMPLAINT NAMES ALL AMERICAN MARBLE CO.** The SEC Denver Regional Office announced September 1st (LR-2092) the filing of Federal court action (USDC, NM) seeking to enjoin All American Marble Company, Richard Edward Hyder and Maurice Morton Rosenthal, doing business as Hyder, Rosenthal & Co., a co-partnership, from further offering and sale of the Marble Company stock in violation of the Securities Act registration requirement.

**INDICTMENT NAMES NATIONAL TRACTOR RENTALS, OTHERS.** The SEC Seattle Regional Office announced September 1st (LR-2093) the return of a Federal court indictment (USDC, Billings, Mont.) charging National Tractor Rentals, Inc., David L. George and Charles F. Cleman with violation of the anti-fraud provisions of the Securities Act in the sale of tractors accompanied by lease-back plan or arrangement.

**SECURITIES ACT REGISTRATIONS. EFFECTIVE September 6:** Computer Instruments Corporation (File 2-18498); Corning Glass Works (File 2-18644); Puerto Rico Telephone Company (File 2-18659); Roberts Lumber Company (File 2-18398); Taylor International Corp., Taylor-Country Estates Associates (File 2-18288); Tresco, Inc. (File 2-18249); Trinity Funding Corporation (File 2-18328); and Yardney Electric Corporation (File 2-18523). **Withdrawn September 1:** Templeton, Damroth Corporation (File 2-17846). **Withdrawn September 6:** Trebor Oil Company Limited (File 2-18061).