

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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HOLDING COMPANY REPORTING REVISED. The SEC has adopted an amendment to its annual report Form U55 under the Holding Company Act to include provision for disclosure of information with respect to stock options issued to officers, directors or employees of registered holding companies and their subsidiaries (See Release 35-14507).

JULYN SPORTSWEAR FILES FOR STOCK OFFERING. Julyn Sportswear, Inc., 237 West 35th Street, New York, filed a registration statement (File 2-18847) with the SEC on September 7th seeking registration of 125,000 shares of Class A stock, to be offered for public sale at \$5 per share. The offering will be made on a best efforts basis by Mortimer B. Burnside & Co., Inc., which will receive a 75¢ per share selling commission and \$20,000 for expenses. The registration statement also includes 20,000 shares to be sold to the underwriter at 10¢ per share, of which the underwriter will sell 1,000 shares each to Ira W. Berman and Jerome A. Lewis at 10¢ per share for services rendered in arranging the financing.

The company (formerly Julyn Fashions Inc.) is engaged principally in the production and sale of medium priced maternity sportswear coordinates, two and three piece maternity suits, and popular priced regular sportswear coordinates. The \$485,250 estimated net proceeds from the stock sale will be used as additional working capital to purchase additional inventories and finance increased accounts receivables. In addition to certain indebtedness, the company has outstanding 170,000 shares of Class B stock with a book value of \$1.68 per share, of which Samuel Rosenblatt, president, Leonard Rosenblatt, vice president, Julius Rosenblatt, treasurer, and Marvin Sandberg, secretary, own 25% each. They received such shares in exchange for their interests in certain companies and, pursuant to a recapitalization in June 1961, in exchange for the 464 common shares then outstanding and owned by them. Stock previously held by management represented an original aggregate cash investment of \$92,000 and an aggregate equity of \$284,822.32 at June 30, 1961. After the sale of new shares, book value of outstanding shares will be increased to \$2.41 per share. The public will own 46% of the outstanding stock for which they will have paid \$725,000.

BLACK BEAR INDUSTRIES TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act temporarily suspending trading in the common stock of Black Bear Industries, Inc. (formerly Black Bear Consolidated Mining Co.), on the San Francisco Mining Exchange and over-the-counter market, for a further ten-day period September 11 to 20, 1961, inclusive.

GPU CONTRIBUTION TO SUBSIDIARY CLEARED. The SEC has issued an order under the Holding Company Act (Rel 35-14508) authorizing General Public Utilities Corporation, New York holding company, to make a cash capital contribution to Pennsylvania Electric Company, its subsidiary, in an amount equal to the amount by which the proposed consideration to be paid by Penelec for certain properties of Carpenter Light and Power Company exceeds the net original cost of the Carpenter properties to be acquired (as of April 30th such excess approximated \$379,689).

UNLISTED TRADING GRANTED PHILADELPHIA EXCHANGE. The SEC has issued an order under the Securities Exchange Act (Rel 34-6627) granting an application of the Philadelphia-Baltimore Stock Exchange for unlisted trading privileges in the common stock of Xerox Corporation.

OKLAHOMA CEMENT PROPOSES DEBENTURE OFFERING. Oklahoma Cement Company, First National Bank Building, Tulsa, Oklahoma, filed a registration statement (File 2-18848) with the SEC on September 7th seeking registration of \$3,000,000 of sinking fund debentures due 1976 (with attached 10-year warrants to purchase 75,000 common shares), to be offered for public sale on an all or none basis through underwriters headed by Eastman Dillon, Union Securities & Co. The interest rate, exercise price of the warrants, public offering price and underwriting terms are to be supplied by amendment.

The company manufactures and sells Portland cement at Pryor, Oklahoma where it owns lands containing deposits of limestone, clay and shale and where its plant is located. The net proceeds from the debenture sale, together with the \$2,200,000 initial proceeds from the sale to banks of the company's 5½% notes, will be applied, to the extent necessary, to payment of the cost of construction of expanded facilities estimated at \$5,042,000. The balance, and any proceeds from the exercise of the warrants, will be used to provide additional working capital and for other general corporate purposes.

In addition to certain indebtedness and preferred stock, the company has outstanding 769,412 shares of common stock, of which Coastal States Gas Producing Company and George A. Fuller Co. own 14.4% and 16.7%, respectively, and management officials as a group 2%. Cloyce K. Box is listed as president.

COLUMBIA FUND FILES FOR STOCK OFFERING. Columbia Fund, Inc., Dupont Circle Building, Washington, D. C., filed a registration statement (File 2-18849) with the SEC on September 7th seeking registration of 100,000 shares of capital stock, to be offered for public sale at net asset value plus a sales charge of up to 8%. Interstate Capital Corporation is listed as the Fund's distributor. The Fund was organized under Delaware law in May 1961 as an open-end, non-diversified, management-type investment company. Its primary purpose is to engage in the business of investing, reinvesting and trading in securities. The Fund has outstanding

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14,576 shares of capital stock, of which management officials as a group own 26.7%. Merlin H. Nipe is listed as president.

CARL AND GERTRUDE PRUETT SENTENCED. The SEC Atlanta Regional Office announced September 5th (LR 2094) that Carl A. Pruett and Gertrude M. Pruett had been sentenced to nine years imprisonment on their pleas of guilty to charges of violating the anti-fraud provisions of the Securities Act.

INDICTMENT NAMES MONTANA RESERVE UNDERWRITING, BECKERLEY. The SEC Seattle Regional Office announced September 5th (LR 2095) the return of an indictment charging Montana Reserve Underwriting Corporation and Richard L. Beckerley of Billings, Mont., with fraud in the sale of securities of the said Underwriting Corporation.

INDICTMENT NAMES VERNON M. SPIVEY. The SEC Chicago Regional Office announced September 5th (LR 2096) the return of an indictment in Milwaukee charging Vernon M. Spivey of Chicago with violation of Securities Act anti-fraud provisions in the sale of investment contracts relating to audio-visual films.

COURT ORDER ENJOINS NATIONAL SECURITIES INC. The SEC San Francisco Regional Office announced September 5th (LR 2097) the entry of a Federal court order (USDC, Ariz.) preliminarily enjoining National Securities, Inc., of Phoenix, and others, from disseminating false and misleading information concerning the tax consequences incident to the offer to exchange National Securities stock for securities of National Life and Casualty Finance Company, Arizona Public Finance Company and Southwest Savings and Loan Association. Also enjoined were Robert H. Wallace, Robert C. Bohannon, Jr., Joseph C. Shorrock, George B. Sharp and Paul Total. National Securities also required to offer all investors who accepted the exchange offer an opportunity to modify or revoke their acceptances.

U. S. PLASTICS FILES FOR OFFERING AND SECONDARY. United States Plastics, Inc., 750 West 18th Street, Hialeah, Florida, filed a registration statement (File 2-18850) with the SEC on September 7th seeking registration of 190,000 shares of common stock, of which 150,000 shares are to be offered for public sale by the company and 40,000 shares, being outstanding stock, by Edward R. Scharps, president. The offering will be made at \$3 per share through underwriters headed by Roman & Johnson, which will receive a 30¢ per share commission and \$18,500 for expenses. The registration statement also includes 20,000 outstanding shares sold by Scharps to U. Grant Roman at 50¢ per share and Roman may sell such shares at 50¢ per share to associates of the underwriter. The underwriter will pay \$2,500 and sell 1,000 of said shares at 50¢ per share to Ira Haupt & Co. as a finder's fee.

The company is engaged primarily in the business of the distribution and sale of Consoweld laminated plastics and related items, such as cores and plywoods, power tools, adhesives and hardware in southern Florida, and in the manufacture of high pressure, laminated postformed counter tops, panels, doors and bath enclosures. The \$378,500 estimated net proceeds from the company's sale of additional stock will be used to retire outstanding 5½% and 6% promissory notes held by Consoweld Corp., the company's supplier of laminated plastics.

In addition to certain indebtedness, the company has outstanding 60,000 common and 240,000 Class B common shares. U. Grant Roman owns 20,000 common shares; and Scharps owns 40,000 common (and proposes to sell such shares) and 230,000 Class "B" shares.

MEEHAN-TOOKER FILES FOR STOCK OFFERING. The Meehan-Tooker Company, Inc., 170 Varick Street, New York City, today filed a registration statement (File 2-18851) with the SEC seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made through underwriters headed by Harry Odzer Company and Bruno-Lenchner, Inc., which will receive a 60¢ per share commission. The registration statement also includes (1) 15,000 shares underlying five-year warrants to be sold to the underwriters at 1¢ each, exercisable initially at \$5.50 per share, and (2) 22,500 shares, of which 7,500 were sold to the underwriters by company, 7,000 shares to Irwin Small Company (finder) and 8,000 shares to Fisher, Gleiberman & Ezrine (company counsel) all at \$1 per share.

The company is engaged in the business of commercial offset color lithography, particularly in connection with the reproduction of colored advertising material and preparation of sales catalogues and folders, annual reports, brochures and booklets. The \$405,000 estimated net proceeds from the stock sale will be used for the purchase and installation of a four color Harris high-speed press, for the establishment of a creative art and research department, to discharge \$25,000 of 6% debentures, and the balance will be added to working capital.

In addition to certain indebtedness, the company has outstanding 162,500 shares of common stock (after giving effect to a recent 700-for-1 recapitalization), of which Thomas A. Meehan, president, Frank Tooker, Sr., executive vice president, and Thomas E. Meehan, treasurer, own 43.5%, 21.5% and 21.1%, respectively.

NORTHERN NATURAL GAS PROPOSES RIGHTS OFFERING. Northern Natural Gas Company, 2223 Dodge Street, Omaha, Nebraska, today filed a registration statement (File 2-18852) with the SEC seeking registration of 435,000 shares of common stock. It is proposed to offer such stock for subscription by common stockholders at the rate of one share for each 20 shares held of record on October 17, 1961. Blyth & Co., Inc. heads the list of underwriters. The subscription price and underwriting terms are to be supplied by amendment. The net proceeds from the stock sale, estimated at \$15,000,000, will be used to pay a portion of costs incurred in connection with the 1961 construction and acquisition program, including repayment of bank loans incurred therefor. Said program is estimated at \$98,000,000 for 1961.

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STOUFFER CORP. PROPOSES DEBENTURE OFFERING. The Stouffer Corporation, 1375 Euclid Avenue, Cleveland, today filed a registration statement (File 2-18853) with the SEC seeking registration of \$7,500,000 of convertible subordinated debentures due 1981, to be offered for public sale on an all or none basis through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith and Fulton, Reid & Co., Inc. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company (to be re-named Stouffer Foods Corporation in October) operates a chain of 28 restaurants, and prepares, packages and distributes through independent retail outlets frozen prepared foods made from Stouffer recipes and provides management food service for operation of dining facilities of large organizations. Of the net proceeds from the debenture sale \$2,899,370 will be used to prepay outstanding indebtedness, \$2,500,000 will be applied to the cost of equipping and decorating additional restaurants, \$1,000,000 will be used to finance expansion of the production facilities of the company's frozen prepared foods division, and the balance will be added to working capital.

In addition to certain indebtedness, the company has outstanding 1,189,996 shares of common stock, of which Vernon Stouffer, president and board chairman, owns 18.1% and management officials as a group 22.6%.

SECURITIES ACT REGISTRATIONS. EFFECTIVE September 8: The Boulder Lake Corporation (File 2-18405); Crescent Petroleum Corporation (File 2-18138); Enterprise Hotel Development Corporation (File 2-18141); Israel-America Hotels, Limited (File 2-18266); Preferred Insurance Company (File 2-15990); Thriftway Foods, Inc. (File 2-18495); Western Union Telegraph Company (File 2-18486); Whitestone Petroleum Corporation (File 2-18516); and Employees' Stock Purchase Plan of Western Natural Gas Company (File 2-18616).

INTERCONTINENTAL MOTELS SUSPENSION LIFTED. The Securities and Exchange Commission has vacated its order of July 5, 1961, temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by Intercontinental Motels, Ltd., of Martinsville, Va.

In a notification filed in March 1961, the company proposed the public offering of 150,000 common shares at \$2 per share pursuant to a Regulation A exemption from registration. The Commission's order suspending the exemption asserted that its offering circular contained misrepresentations, particularly with respect to the company's proposal to acquire the properties and assets of Fleetwood Motel Corporation, of Atlantic City, N. J., which is in Chapter X reorganization proceedings. Subsequently, the company amended its offering circular and made other arrangements which appear to comply with the terms and conditions of Regulation A. It also has undertaken to make a 21-day offer of rescission to all original purchasers of the stock pursuant to the exempt offering and to all other persons shown by the company's records to be present holders of such stock. Under the circumstances, the Commission concluded that it was appropriate to lift the suspension order.

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