SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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

Washington 25, D.C.

(In ordering full text of Releases from Publications Unit, cite number)

FOR RELEASE December 28, 1959

Statistical Release No. 1651. The SEC Index of Stock Prices based on the closing prices of 265 common stocks for the week ended December 25, 1959, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1959, is as follows:

	1939 =100		Percent	1959	
	12/24/59	12/18/59	Change	High	Low
Composite	427.5	429.1	-0.4	441.3	400.1
Manufacturing	536.4	538.8	-0.4	554.2	490.7
Durable Goods	516.8	517.9	-0.2	527.7	457.8
Non-Durable Goods	544.1	547.6	-0.6	570.1	510.5
Transportation	327.4	329.1	-0.5	371.6	318.7
Utility	212.0	211.7	+0.1	231.8	207.1
Trade, Finance & Service	438.6	441.6	-0.7	441.6	382.7
Mining	291.7	295.6	-1.3	360.4	283.8

TIME FOR COMMENTS ON RULE PROPOSAL GRANTED. The SEC today announced an extension from January 15 to February 15, 1960, within which comments on proposed Rule 155 under the Securities Act of 1933 may be submitted. The purpose of the proposed rule is to make clear that a public offering of convertible securities which, at the time are immediately convertible into another security of the same issuer, by persons who purchased the convertible securities from the issuer in a private placement, or a public offering of the securities received by such persons in the conversion, may be subject to the registration provisions of the Securities Act.

The extension was granted at the request of persons who stated that the additional time was needed to study the proposed rule and submit comments thereon.

NEW ORLEANS EXCHANGE WITHDRAWS REGISTRATION. The SEC has issued an order under the Securities Exchange Act (Release 34-6153) granting an application of the New Orleans Stock Exchange for withdrawal of its registration under the Act as a national securities exchange, effective December 31, 1959. The said exchange has been registered since October 1, 1934. In its application it advised that it discontinued all trading activities on October 30, 1959, after notifying each of the companies whose securities were traded on the Exchange that it would discontinue trading thereon on such date.

H. H. SHIELDS REGISTRATION REVOKED. The SEC today announced the issuance of a decision (Release 34-6148) revoking the broker-dealer registration of Harvey H. Shields, Jr., doing business as H. H. Shields & Co., 1365 North Wishon, Fresno, Calif., for violations of the Federal Securities Laws. Shields conceded the violations and consented to the revocation order.

According to the decision, during the period May 31, 1958, to July 14, 1958, Shields induced purchases and sales of securities for his customers and accepted money and securities from customers at a time when his liabilities exceeded his assets and he was unable to meet his current liabilities in the ordinary course of business. The amount of such excess ranged from $1,867 to $5,274. Shields failed to disclose these facts to his customers, but continued in the securities business under the implied representations that he would deal fairly with his customers and that he was solvent and in a position to meet his obligations as they became due, which were untrue. This course of conduct violated a Commission rule against fraud and deceit.

OVER

Furthermore, according to the decision, Shields violated the Commission's record-keeping rules by reason of his failure to post any books or records from August to December 1958; and he also engaged in the conduct of a securities business in violation of the Commission's net capital rule, which seeks to protect investors against insolvency of broker-dealer firms with which they do business. The deficiency in net capital during the period May to August 1958 ranged from $793 to $11,335.

For these reasons the Commission concluded that the public interest necessitated revocation of Shields' broker-dealer registration.

MIDDLE SOUTH PROPOSES STOCK SPLIT. Middle South Utilities, Inc., New York, N. Y., holding company, has filed a proposal with the SEC for a two-for-one split of its outstanding common stock; and the Commission has issued an order under the Holding Company Act (Release 35-14124) giving interested persons until January 7, 1960, to request a hearing thereon.

Middle South now has outstanding 8,050,000 common shares. It proposes a two-for-one split in its stock in the form of a stock dividend, increasing the outstanding shares to 16,100,000. It also proposes to amend its charter to increase the authorized number of common shares from 12,000,000 to 25,000,000. In connection with the stock split, $80,500,000 would be transferred from the capital surplus to the capital stock account; and additional certificates representing the new shares resulting from the stock dividend would be issued to stockholders of record on or about February 24, 1960.

ORDER AUTHORIZES LYNN GAS PURCHASE. The SEC has issued an order under the Holding Company Act (Release 35-14123) authorizing Lynn Gas and Electric Company, a subsidiary of New England Electric System, to transfer its gas properties and related business to Lynn Gas Company, a newly-organized subsidiary of NEES. The selling company, which will retain its electric properties and change its name to Lynn Electric Company, will receive in exchange for the gas properties 122,850 shares of $10 par stock of Lynn Gas and distribute such shares to its stockholders on the basis of 3/10ths of a share for each share held. NEES, as holder of 383,955 shares (93.76%) of the selling company's stock, will acquire in exchange therefor 268,768½ shares of Lynn Electric and 115,186½ shares of Lynn Gas stock.

ORDER EXEMPTS LOANS TO BANK OF BUFFALO DIRECTORS. The SEC has issued an exemption order under the Investment Company Act (Release 40-2953) permitting the Bank of Buffalo to make loans to certain of its directors. Because of affiliation with a registered investment company, such loans are prohibited by the Act absent the granting of an exemption by the Commission.

ONE WILLIAM STREET FUND TO PURCHASE MUTUAL PROPERTIES. The SEC has issued an exemption order under the Investment Company Act (Release 40-2954) permitting One William Street Fund, Inc., New York investment company, to issue its shares for substantially all of the cash and securities of Mutual Properties Corporation. Under a purchase agreement, cash and securities of Mutual with a total value of $2,113,061 as of September 30, 1959, will be transferred to the Fund in exchange for shares of the latter's stock, based upon the net asset value of said shares. The Fund's shares will be distributed by Mutual to its shareholders.

DECREE ENJOINS SPINDLETOP PETROLEUM. The SEC Seattle Regional Office announced December 22, 1959, the entry of a court order (USDC, Portland), on consent, enjoining Spindletop Petroleum Corporation and Dale H. Franklin of Medford, Ore., from sale of oil and gas interests in violation of the Securities Act registration requirement (Lit. Release 1544).

COURT ORDER ENJOINS MELVYN KEVIN. The SEC New York Regional Office announced December 22, 1959, the issuance of a court order (USDC, SDNY) enjoining Melvyn Kevin (on his consent) from further violating Securities Exchange Act prohibitions against wash sales, matched orders, and manipulation of market for stock of Artloom Industries (now Trans United Industries, Inc.) (Lit. Release 1546).

LEONARD LOEWE ENJOINED. The SEC New York Regional Office announced December 23, 1959, that Leonard A. Loewe had been enjoined (USDC, SDNY) from further violations of fraud prohibitions of the Securities Exchange Act in connection with his transactions in Cherry-Burrell Corporation stock, the decree being entered on consent of defendant. (Lit. Release 1547).

CONTINUED

OXY-CATALYST FILES STOCK OFFERING PROPOSAL. Oxy-Catalyst, Inc., 511 Old Lancaster Road, Berwyn, Pa., filed a registration statement (File 2-15956) with the SEC on December 23, 1959, seeking registration of 28,637 shares of common stock. The company proposes to offer 11,372 shares for subscription by its common stockholders of record January 15, 1960, upon the basis of one new share for each 50 shares then held. The subscription price is to be supplied by amendment. No underwriting is involved.

The remaining 17,265 shares are to be offered to certain officers and employees of the company upon the exercise of options to purchase said shares, the option price being $9.35 as to 6,575 shares and $11 as to 10,690 shares.

The company was organized in 1949 by Eugene J. Houdry, board chairman. It has carried on research in the field of catalytic exhaust purification, and manufactures and sells appliances which use the process of catalysis to purify industrial exhausts and the exhausts of internal combustion engines. Its principal objective is said to be the commercial development of a practical purifier for standard automobile exhausts. It now has outstanding 568,604 common shares. Net proceeds of the sale of additional stock will be added to the company's general funds, $125,000 of which was recently expended for the purchase of a plant with offices at Berwyn.

Of the outstanding stock, 62.56% is owned by members of the Houdry family.

PROVIDENT FUND PROPOSES OFFERING. Provident Fund for Income, Inc., 3 Penn Center Plaza, Philadelphia, filed a registration statement (File 2-15957) with the SEC on December 23, 1959, seeking registration of 400,000 shares of common stock. It was organized in August 1951 under Delaware law. It has entered into a management contract with Provident Management Corporation, which also will serve as principal underwriter and distributor of its shares. The prospectus lists Douglas K. Porteous as president. He also serves as president of Provident Management Corporation.

NASSAU PHYSICIANS GUILD INVESTING FILES FOR OFFERING. Nassau Physicians Guild Investment Company, Inc., a newly-organized investment company of 1200 Stewart Ave., Garden City, L. I., N.Y., filed a registration statement (File 2-15958) with the SEC on December 23, 1959, seeking registration of 200,000 shares of capital stock. Investments of the Fund are to be managed by Standard & Poor's Corporation. Dr. Ralph S. Emerson of Roslyn Heights is listed as board chairman and Dr. Reginald R. Steen of Hempstead as president. Sale of the shares of the Fund will be restricted to regular and associate members of the Nassau Physicians Guild, Inc., who are residents of New York. No underwriting is involved.

CONTROL ELECTRONICS PROPOSES STOCK OFFERING. Control Electronics Co., Inc., 10 Stepar Place, Huntington Station, N. Y., filed a registration statement (File 2-15959) with the SEC on December 23, 1959, seeking registration of 165,000 shares of its common stock, to be offered for public sale at $3 per share by Milton D. Blauner & Co., Inc., David Finkle & Co. and Gartman, Rose & Feuer, who will receive a commission of 36¢ per share. Certain members of the underwriting firms hold an additional 15,000 common shares acquired from company officers at 10¢ per share.

The company is engaged in the engineering, design, development, manufacture and sale of delay lines, specialty electronic equipment, test equipment and components and filters. Recently Control Electronics Sales Corp., a company under common control with the issuer, became its subsidiary. The issuer now has outstanding 235,000 common shares. Net proceeds of its sale of additional stock will be used as follows: $80,000 to repay bank loans, $50,000 to replace working capital expended for equipment and machinery; $50,000 to increase sales effort, including the organization of sales offices on the West Coast and in the Chicago areas; and $50,000 to further development of delay lines, filters and microwave devices. The balance of the proceeds will be added to working capital. Of the outstanding stock, Alfred C. Walker, president, and Eugene S. Wendolkowski, vice president, own 110,000 shares each.

BIG "C" STORES FILES FOR OFFERING AND SECONDARY. Big "C" Stores, Inc., 1845 S.E. Third Ave., Portland, Ore., filed a registration statement (File 2-15960) with the SEC on December 23, 1959, seeking registration of 250,000 shares of common stock. Of this stock, 125,000 shares are to be offered for public sale for the account of the issuing company; and the balance of the shares, being outstanding stock, are to be offered for sale by the present holders thereof. The public offering price and underwriting terms are to be supplied by amendment. J. Barth & Co., First California Company, and Hill, Darlington & Co. are listed as principal underwriters.

The company was organized under Oregon law in June 1959 for the purpose of combining supermarkets in various cities in Oregon and Washington into a Northwest regional chain of supermarkets. These supermarkets are operated by 3 subsidiaries, Columbia Food Company, Low Cost Market No. 1,

OVER

Inc., and Emil's Inc. The company now has outstanding 319,392 common shares and certain indebtedness. Net proceeds of its sale of additional stock will be used in part ($112,315) for repayment of certain outstanding notes (held in part by officers, directors or stockholders); $185,000 for payment of fixtures and equipment for new supermarkets; $390,000 for inventories in new supermarkets; and the balance for general corporate purposes.

Roy L. Stone, board chairman and chief executive officer, and W. T. Triplett, Jr., president and treasurer, their associates and members of their families, own all the outstanding common stock of the company. The prospectus lists nine selling stockholders, including Triplett (5,820 of 61,020 shares held), Stone (49,698 of 67,198), Henning E. Garmo (29,266 of 58,532), and Emil A. Albrecht, vice president (14,667 of 21,667).

MONTREAL METROPOLITAN CORP. FILES DEBENTURE OFFERING. The Montreal Metropolitan Corporation, Quebec, Canada, filed a registration statement (File 2-15961) with the SEC on December 23, 1959, seeking registration of $30,000,000 of sinking fund debentures due 1985 to be offered for public sale by a group of underwriters headed by The First Boston Corporation. The interest rate, public offering price and underwriting terms will be supplied by amendment.

The corporation was created in 1959 by Act of the Parliament of Quebec as the successor to The Montreal Metropolitan Commission. Included among the corporation's functions are the planning and construction (other than in the city of Montreal) of the Montreal Metropolitan Boulevard, a 33-mile expressway crossing the Island of Montreal in a west-east direction. Proceeds from the sale of the debentures will be used to repay outstanding temporary bank loans incurred in connection with the Boulevard construction and the balance will be applied toward other Boulevard construction costs. The corporation has heretofore sold $10,300,000 principal amount of debentures in Canada for Boulevard purposes and it expects to undertake further borrowings in this connection in the future.

MINUTE MAID FILES FOR EXCHANGE OFFER. Minute Maid Corporation, Orlando, Fla., filed a registration statement (File 2-15962) with the SEC on December 23, 1959, seeking registration of 311,996 shares of common stock to be offered to former holders of common stock of Tenco, Inc., in part consideration for all of the outstanding stock of Tenco sold to Minute Maid. Certain of the Tenco stockholders have indicated their intention to sell the shares to be received by them on the New York Stock Exchange.

Minute Maid produces and sells frozen citrus concentrates. Through its purchase in September 1959 of all the outstanding stock of Tenco it also became a producer of instant coffee. According to the prospectus, the board of directors is considering submitting to stockholders proposals to merge Minute Maid with some of its wholly-owned subsidiaries including Tenco, Golden Citrus Juices Incorporated, Minute Maid Groves Corporation and Carney Groves, Inc.

Tenco's plant is located at Linden, N. J.; and it also leases space in San Francisco and in Ajax, Ontario. The consideration for the purchase of Tenco stock included $3,000,000 in cash and $2,550,000 in Minute Maid's 5% notes, and 299,996 shares of Minute Maid common stock, subject to registration with the Commission and listing on the New York Stock Exchange (or, absent such registration, cash based upon the market price of Minute Maid stock on March 31, 1960).

GREAT AMERICAN PUBLICATIONS FILES FOR OFFERING AND SECONDARY. Great American Publications, Inc., 270 Madison Ave., New York, filed a registration statement (File 2-15963) with the SEC on December 23, 1959, seeking registration of 235,000 shares of its common stock, of which the company proposes to offer 218,000 shares for sale initially to stockholders (other than officers, directors and principal shareholders). Shares not purchased by stockholders and 4,500 purchased by the underwriter (Smith, Holly & Co., Inc.) at 10¢ per share are to be offered for public sale. The offering price is to be supplied by amendment as are the underwriting terms; the underwriter, however, has agreed to purchase only 30,000 shares and to use its best efforts in the distribution of the remaining 188,000 shares. The remaining 12,500 shares are being registered for the account of Mortimer B. Burnside & Co., Inc., in consideration of its release of certain rights under prior underwriting agreements, and may not be sold for a period of six months from the commencement of the company's offering.

The company is engaged in the publication of magazines, principally monthly magazines in the automotive and related fields. It also publishes motor annuals and has recently entered the field of mystery story and crossword puzzle magazines and books. There are now outstanding 518,000 common shares of which Management House, Inc., of New York owns 34.2% and Henry Scharf, president, together with his wife owns 25.9%. The first proceeds of the sale of additional stock will be used for needed additional capital for present and contemplated operations; $50,000 will be used

CONTINUED

to retire short term indebtedness; and the balance will be devoted generally to promotion and development of fiction, mystery and other publications recently acquired as well as paper back books.

AMERICAN HOSPITAL SUPPLY FILES EXCHANGE OFFER. American Hospital Supply Corporation, 2020 Ridge Ave., Evanston, Ill., filed a registration statement (File 2-15964) with the SEC on December 23, 1959, seeking registration of 53,000 shares of common stock. The company proposes to acquire all the outstanding 1,415 common shares of Arnar-Stone Laboratories, Inc., (of Mt. Prospect, Ill.) in exchange for 49,525 shares of its common stock, and to acquire not less than 80% of the 6% cumulative preferred stock ($100 par) of Arnar-Stone, 1,029 shares of which are outstanding, pursuant to a formula based upon the market value of the company's common. Registration of the issuer's common shares is being effected in view of the possibility that a portion or all thereof may be reoffered for public sale by persons who receive same in exchange for Arnar-Stone stock. Principal holders of Arnar-Stone stock are Mr. and Mrs. Edward A. Twerdahl, Jr. (400 common and 50 preferred); Mr. and Mrs. James W. Good, Jr. (260 common and 50 preferred); and Mr. Raymond A. Stone and his father (216 common and 34 preferred).

TAYLOR DEVICES PROPOSES STOCK OFFERING. Taylor Devices, Inc., 188 Webster St., North Tonawanda, N. Y., filed a registration statement (File 2-15965) with the SEC on December 23, 1959, seeking registration of 18,705 shares of common stock. The company proposes to offer the stock for subscription at $28.75 per share by holders of outstanding common at the rate of six-tenths of one share for each share held. The record date is to be supplied by amendment. The offering is to be underwritten on a best efforts basis by C. E. Stoltz & Co., who will receive a stand-by fee of $1.50 for each share subscribed by stockholders and an additional fee of $3.125 for each unsubscribed share sold by the underwriter. The company has also agreed to sell to the underwriter at $2.25 per warrant up to a total of 2,000 warrants, each warrant entitling the underwriter to purchase one common share at $28.75 per share over a five year period. A finder's fee of 55¢ per share is payable to George M. Pagan and R. G. Lichtenstein.

The company designs, develops and manufactures under a license agreement with its affiliate, Tayco Developments, Inc., liquid compressibility devices consisting principally of liquid springs, liquid shock absorbers (and combinations thereof), and time delay spring shocks. Of the net proceeds of this financing, $40,000 will be used to repay a short term loan, $250,000 as working capital (including the payment of life insurance premiums on the president's life) and to establish expanded executive sales and manufacturing personnel and to continue research and development, and the balance to lease or purchase additional factory and office space.

If the 18,705 common shares are sold to the public through the underwriter, management officials and their families will own 17,932 shares or 36% of the outstanding shares for which the company received $30,609; the remaining existing stockholders will own 13,243, shares or 26.5% for which they or their assignors paid to the company $60,613; and the public stockholders will have purchased the 18,705 shares or 37.5% for $537,768. The company is closely affiliated with Tayco Developments through management, business relationship and stockholders. Paul H. Taylor, board chairman and largest single stockholder of the company (owning 35.8% of the presently outstanding stock) is likewise the chief executive and board chairman of Tayco and owns (with his family) more than 50% of Tayco's outstanding stock.

TAYCO DEVELOPMENTS PROPOSES STOCK OFFERING. Tayco Developments, Inc., 188 Webster Street, North Tonawanda, N. Y., filed a registration statement (File 2-15966) with the SEC on December 23, 1959, seeking registration of 5,390 shares of common stock. The company proposes to offer this stock for subscription at $28.75 per share by holders of outstanding common at the rate of ten seventy fifths of a share for each share held on the record date (to be supplied by amendment). The offering is to be made on a best efforts basis by C. E. Stoltz & Co.; and the underwriter will receive a stand-by fee of $1.50 for each share subscribed by stockholders and an additional fee of $3.125 for each unsubscribed share sold by the underwriter. The company also has agreed to sell to the underwriter at a price of $2.25 per warrant, up to 500 warrants for the purchase of a like number of common shares within five years at $28.75 per share.

Tayco is in the business of developing patentable inventions for the purpose of selling or licensing them on a royalty basis; and it also does research and development work on a contract basis. Most of its inventions and development work relate to liquid compressible devices, particularly liquid shock absorbers and combination liquid springs and shock absorbers and liquid springs, accumulators, actuators and time delay devices. Taylor Devices, Inc., an affiliated company, is its only active licensee.

Net proceeds of the sale of additional Tayco stock, estimated at $127,000 will be used as working capital and to secure additional patents on present inventions, and to continue and expand research and development work in the field of liquid compressibility devices and other areas. Of the outstanding stock, management officials and their wives own 24,584 shares or 60.8%. Paul H. Taylor, president and board chairman owns 19,451 shares (48.1%) and members of his family 2,370 (5.8%).

BELL & HOWELL FILES STOCK PLAN. Bell & Howell Company, 7100 McCormick Rd., Chicago, today filed a registration statement (File 2-15968) with the SEC seeking registration of 185,031 shares of common stock, being the number of shares with respect to which options have been granted or may be granted to key executives under the company's Restricted Stock Option Plan.

---ooo0ooo---