

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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FOR RELEASE May 25, 1967

J. J. NEWBERRY TRADING BAN ISSUED. The SEC announced May 24 the temporary suspension of trading in securities of J. J. Newberry Co. of New York City on the New York Stock Exchange and in the over-the-counter market for the ten-day period May 24 (4:00 P.M. (EDT)) through June 2, 1967 (4:00 P.M. (EDT)). The suspension applies to the company's common stock and 3 3/4% cumulative preferred stock which are listed and registered on the New York Stock Exchange, and to all other securities of the company.

The Commission stated that information has come to its attention which questions the validity of a tender offer recently made for approximately 50% of the company's common stock. The Commission has no information which would indicate that the company or its management is a participant in this transaction. The Commission's staff has been directed to conduct an inquiry to ascertain all pertinent facts.

Under the circumstances the Commission deemed it necessary and appropriate in the public interest and for the protection of investors to suspend trading in the securities pending clarification of the matter and adequate public dissemination of all the pertinent information.

PURITAN FUND RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-4965) permitting Puritan Fund, Inc., Boston, to issue its shares at net asset value for substantially all of the assets of Chautauqua Cabinet Company.

BROAD STREET INVESTING RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-4966) permitting Broad Street Investing Corporation, New York, to issue its shares at net asset value for substantially all of the assets of E. H. & H. Holding Corporation.

MISSISSIPPI POWER SEEKS ORDER. Mississippi Power Company, Gulfport, Miss., subsidiary of The Southern Company, has applied to the SEC for authorization under the Holding Company Act to sell up to \$14,000,000 of promissory notes to a group of banks; and the Commission has issued an order (Release 35-15750) giving interested persons until June 23 to request a hearing thereon. Mississippi Power will use the net proceeds of this financing, together with cash on hand and proceeds from a previous sale of common stock to its parent, to finance its 1967 construction program, estimated at \$29,094,000.

MCCULLOCH OIL CORP. (CALIF.) FILES FOR OFFERING AND SECONDARY. McCulloch Oil Corporation of California, 6151 West Century Blvd., Los Angeles, Calif. 90045, filed a registration statement (File 2-26616) with the SEC on May 23 seeking registration of \$6,000,000 of convertible subordinated debentures, due 1987, and 150,000 outstanding shares of common stock, to be offered for public sale through underwriters headed by W. C. Langley & Co., 115 Broadway, New York 10006. The interest rate on the debentures, offering prices of the debentures and stock (\$15 per share maximum*), and underwriting terms are to be supplied by amendment.

The company is engaged in the exploration for and production of oil and gas. It is also engaged in a 27 1/2-square mile real estate development known as Lake Havasu City in western Arizona on the Colorado River. Of the net proceeds of the company's debenture sale, \$2,580,000 will be used to cancel a sales agency agreement relating to Lake Havasu City, to prepay the sales agent fees accrued under this agreement, and to purchase all outstanding capital stock of two corporations providing sales and advertising services at Lake Havasu City. The company will use an additional \$288,000 to discharge an indebtedness assumed in May 1967 relating to 960 acres of land at Lake Havasu City. It will use \$1,000,000 to pay on bank loans and \$375,000 to prepay various installment notes. The balance will be used for general corporate purposes. In addition to indebtedness, the company has outstanding 4,003,418 common shares, of which management officials own 212,937 shares. Robert P. McCulloch is board chairman and president. McCulloch Corporation, the selling shareholder, proposes to sell 150,000 of 1,229,298 common shares held. McCulloch Corp. is owned and controlled by Robert P. McCulloch individually and as trustee for his children.

VALLEY METALLURGICAL PROCESSING PROPOSES OFFERING. Valley Metallurgical Processing Company, Inc., Route #9, Essex, Conn. 06426, filed a registration statement (File 2-26618) with the SEC on May 23 seeking registration of 120,000 shares of common stock to be offered for public sale through underwriters headed by Clark, Dodge & Co., 61 Wall St., New York 10005. The public offering price (\$40 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the development, production and sale of various spherical and non-spherical metal powders, primarily of magnesium and aluminum, for defense and commercial uses. Net proceeds of the stock sale will be added to the general funds of the company, and will be available for working capital, including the payment of short-term borrowings, capital expenditures, and other corporate purposes. In addition to indebtedness, the company has outstanding 682,380 common shares of which management officials own 13.1% including 11.2% owned by Percy W. Hudson, president. Howard E. Orem is board chairman.

PET INC. PROPOSES OFFERING. Pet Incorporated, Arcade Bldg., St. Louis, Mo. 63166, filed a registration statement (File 2-26621) with the SEC on May 23 seeking registration of \$25,000,000 of sinking fund debentures, due 1992. The debentures are to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York 10005, and Julien Collins & Co., 105 S. LaSalle St., Chicago 60603. The interest rate, public offering price, and underwriting terms are to be supplied by amendment.

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The company is engaged in the manufacture, processing and distribution of milk and dairy products and other food products. Of the net proceeds of its debenture sale, \$19,450,935 will be used to repay short-term notes and the balance will be used for general corporate purposes. In addition to indebtedness and preference stock, the company has outstanding 4,758,848 common shares, of which management officials own 8.65%. Theodore R. Gamble is board chairman and Gordon Ellis is president.

DALLAS AIRMOTIVE PROPOSES OFFERING. Dallas Airmotive, Inc., 6114 Forest Park Road, Dallas, Tex. 75235, filed a registration statement (File 2-26622) with the SEC on May 24 seeking registration of \$3,500,000 of 6% convertible subordinated debentures, due 1982, to be offered for public sale through underwriters headed by Eppler, Guerin & Turner, Inc., First National Bank Bldg., Dallas 75202. The offering price (\$102 per debenture maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in (1) piston, propjet and pure jet engine overhaul and repair, (2) propjet and pure jet engine lease and rental, and (3) component rework and part sales. Of the net proceeds from the debenture sale, \$1,700,000 will be used to retire short-term bank debt and the balance will be used for purchases of and deposits on the company's future purchases of propjet and pure jet engines. In addition to indebtedness, the company has outstanding 685,905 common shares, of which management officials own 25.55%. Henry I. McGee, Jr. is board chairman and president.

SCHLITZ BREWING FILES FOR SECONDARY. Jos. Schlitz Brewing Company, 235 West Galena St., Milwaukee, Wisc. 53201, filed a registration statement (File 2-26623) with the SEC on May 24 seeking registration of 297,746 outstanding shares of common stock, to be offered for public sale through underwriters headed by Goldman, Sachs & Co., 20 Broad St., New York 10005. The public offering price (\$36 per share maximum*) and underwriting terms are to be supplied by amendment.

The company's principal product is beer. In recent years, it has made investments in foreign breweries and is now engaged in certain unrelated activities in foreign countries. It has outstanding 9,602,134 common shares, of which management officials and members of their immediate families own 29%. The prospectus lists 37 selling shareholders (various members of the Uihlein family and trusts for their benefit), including Fred W. Uihlein (president and board chairman), who proposes to sell 7,896 of 122,496 shares held; Fred W. Uihlein, Dr. Alfred Uihlein and Lynford Lardner, Jr., Trustees under the will of William B. Uihlein, deceased, for primary benefit of Fred W. Uihlein, 29,196 shares, the entire stock holdings under the will; and Pauline S. Armstrong, 25,000 of 55,960 shares. The remaining shareholders propose to sell shares ranging in amounts from 366 to 20,000 shares. The Uihlein family owns the beneficial interest in approximately 92% of the company's outstanding shares and after the sale will own approximately 89%.

COURT ENJOINS BETHEL BAPTIST UNIVERSITY, OTHERS. The SEC Fort Worth Regional Office announced May 19 (LR-3725) the entry of a Federal court order (USDC, Fort Worth) permanently enjoining Bethel Baptist University, an Oklahoma corporation; Charles A. Lindsey of Chattanooga, Tenn.; Oliver V. Hayes of Coalgate, Okla.; Olin A. Cole and James S. Clary of Fort Worth; Andrew J. Rhoads of Bogata, Tex.; and Floyd D. Ward of Houston, Tex., from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of participating bond notes and first mortgage bonds of Bethel Baptist University. Hayes, Clary, Rhoads and Ward consented to the injunction decree, and judgments against Bethel Baptist University, Lindsey and Cole were entered by default.

FOUR STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC proposing the offering of securities under employee savings, stock option and other plans, as follows:
Howard Johnson Company, Wollaston, Mass. 02170 (File 2-26619) - 150,000 common shares
Slater Electric Inc., Glen Cove, N. Y. 11542 (File 2-26620) - 75,000 common shares
Associates Investment Co., South Bend, Ind. 46624 (File 2-26625) - 350,000 common shares
The Ceco Corporation, Chicago, Ill. 60650 (File 2-26626) - 50,000 common shares

SECURITIES ACT REGISTRATIONS. Effective May 24: Atlantic Richfield Co., 2-26457 (40 days); Burroughs Corp., 2-26438 (40 days); Calgon Corp., 2-26490; Cape & Vineyard Electric Co., 2-26429 (Aug 30); Capital Wire & Cable Corp., 2-25378 (Aug 23); The Carborundum Co., 2-26497; Cherry-Burrell Corp., 2-26405 (40 days); European Investment Bank, 2-26526 (40 days); Gwaltney Inc., 2-26470; Huck Manufacturing Co., 2-26396 (Aug 22); Jervis Corp., 2-26304 (40 days); Mercury National Life Insurance Co., 2-25806 (90 days); Olga Co., 2-26387 (90 days); Teledyne, Inc., 2-26314 and 2-26376; Transamerica Corp., 2-26541; Whittaker Corp., 2-26413 (40 days).
Effective May 25: Cayman Management Corp., 2-26347 (90 days); Saturn Airways, Inc., 2-26465 (Aug 23); Wright Air Lines, Inc., 2-26318 (90 days).

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.