

## 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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**GREAT NORTHERN MANAGEMENT FILES FOR OFFERING.** Great Northern Management Company, Inc., 163 Mineola Blvd., Mineola, N. Y. 11501, filed a registration statement (File 2-23896) with the SEC on August 5 seeking registration of 900,000 shares of common stock, to be offered for sale to insurance agents of Consumers Life Insurance Company (the company's wholly-owned subsidiary). Of this stock, 300,000 shares are to be offered at \$3 per share and 600,000 shares at \$2 per share. Stock sold at \$2 per share will be subject to a restriction on transfer and a right of repurchase by the company at the original offering price if certain conditions are not met. The registration statement also includes an additional 220,000 common shares to be offered by the company and 264,500 outstanding shares to be offered by the holders thereof, such 484,500 shares to be offered at \$3 per share principally to persons closely related to the company. In addition, the company is registering 296,000 common shares to be offered pursuant to its Incentive Stock Option Plan.

Organized under New York law in July 1964, the company's principal assets consist of 100% of the outstanding stock of Consumers Life (a Delaware corporation) and 28% of the outstanding capital stock of North Atlantic Life Insurance Company of America (a New York life insurer). Of the net proceeds from the company's sale of additional stock, \$1,100,000 will be used to discharge certain indebtedness arising out of the acquisition of Consumers Life; between \$300,000 and \$500,000 will be contributed to Consumers Life to be used for its general business purposes; and approximately \$200,000 will be retained for working capital. Any remaining proceeds will be used to exercise an option to purchase additional stock of North Atlantic Life. In addition to indebtedness, the company has outstanding 1,520,739 common shares, of which management officials own 33.9%. The prospectus lists two selling stockholders, as follows: Harold Dougherty (secretary), offering 167,500 of 207,720 shares held; and William V. Licht (president), 97,000 of 281,807. At the company's inception, Dougherty and Licht subscribed for 199,720 and 145,210 shares, respectively, at \$3 per share.

**SAWYER'S FILES FOR SECONDARY.** Sawyer's Inc., Portland, Ore., filed a registration statement (File 2-23898) with the SEC on August 5 seeking registration of 253,598 outstanding shares of common stock, to be offered for public sale by the present holders thereof. Blyth & Co., Inc., 14 Wall St., New York 10005, is listed as the principal underwriter. The public offering price (\$13.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company manufactures and distributes photographic equipment under the names "View-Master" and "True-View". In addition to indebtedness, it has outstanding 1,354,829 common shares, of which management officials and their immediate families own 30%. The prospectus lists 27 selling stockholders, including Continental Illinois National Bank & Trust Co., trustee for Robert V. Brost (president), offering 33,392 of holdings of 34,106 shares; James E. Kelly (board chairman), 20,000 of 54,880; Kenneth R. Kelly, 15,000 of 55,127; Vernon L. Kelly, 20,000 of 48,112; Wilbur F. Kelly, 18,000 of 43,512; Eva R. Mayer, 15,000 of 72,000; and Fred J. Mayer (director), 20,000 of 69,727. The remaining selling stockholders are offering shares ranging in amounts from 1,000 to 11,100.

**DIAMOND STATE TEL. PROPOSES OFFERING.** The Diamond State Telephone Company, One Parkway, Philadelphia, Pa. 19102, filed a registration statement (File 2-23899) with the SEC on August 6 seeking registration of \$7,000,000 of 40-year debentures, due 2005, to be offered for public sale at competitive bidding. A wholly-owned subsidiary of American Telephone and Telegraph Company, the company will apply the net proceeds from its debenture sale toward the repayment of some \$15,500,000 of advances from AT&T. Such advances were used for general corporate purposes, including property additions and improvements. The company expended \$10,478,000 on its 1964 construction program, and it is anticipated that construction expenditures for 1965 will be considerably higher than for 1964.

**NEW JERSEY P&L FILES FOR DEBENTURE OFFERING.** New Jersey Power & Light Company, Madison Ave. at Punch Bowl Rd., Morristown, N. J., filed a registration statement (File 2-23901) with the SEC on August 6 seeking registration of \$5,000,000 of debentures, due 1990. The debentures are to be offered for public sale at competitive bidding. Net proceeds from the company's debenture sale will be used to reimburse its treasury, in part, for construction expenditures prior to 1965. As of December 31, 1964, the company's accumulated construction costs provided out of treasury funds which had not been previously reimbursed amounted to approximately \$5,900,000. Its 1965 construction program is estimated to cost \$8,724,000.

**PROVINCE OF ONTARIO PROPOSES DEBENTURE OFFERING.** The Province of Ontario, Canada, filed a registration statement (File 2-23903) with the SEC on August 6 seeking registration of \$50,000,000 of 25-year debentures, due 1990. The debentures are to be offered for public sale through an underwriting group headed by Harriman, Ripley & Co., 60 Broad St. and Wood, Gundy & Co., Inc., 40 Wall St., both of New York, and five other underwriters. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The Province of Ontario will advance the net proceeds from its debenture sale to The Hydro-Electric Power Commission of Ontario, which will add such funds to its cash resources to be used, among other things, in connection with its construction program. The Commission estimates that it will expend approximately \$145,000,000 on its 1965 construction program.

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**GENERAL DYNAMICS FILES STOCK PLAN.** General Dynamics Corporation, One Rockefeller Plaza, New York 10020, filed a registration statement (File 2-23904) with the SEC on August 6 seeking registration of \$100,000,000 of participations in the company's Savings and Stock Investment Plan, together with common stock that may be acquired pursuant thereto.

**GENERAL BAKING FILES STOCK PLANS.** General Baking Company, 122 E. 42nd St., New York, filed a registration statement (File 2-23906) with the SEC on August 6 seeking registration of 149,000 shares of common stock, to be offered pursuant to the company's 1964 Stock Option Plan and Restricted Stock Option Plan.

**PENOBSCOT SHOE FILES FOR OFFERING AND SECONDARY.** Penobscot Shoe Company, N. Main St., Old Town, Me., filed a registration statement (File 2-23907) with the SEC on August 6 seeking registration of 270,525 shares of common stock. Of this stock, 90,000 shares are to be offered for public sale by the company and 180,525 shares (being outstanding stock) by the present holders thereof. Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10004, is listed as the principal underwriter. The public offering price (\$13.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of shoes, principally moccasin-type sport shoes. Of the net proceeds from its sale of additional stock, some \$750,000 will be applied to the construction of additional warehouse space and the balance will be used for general corporate purposes, including the company's proposed retail expansion program. In addition to indebtedness, the company has outstanding 1,018,050 common shares, of which management officials own 64.1%. The prospectus lists nine selling stockholders, including Max Kagan (treasurer and director), offering 48,375 of 267,712 shares held, and Philip W. Lown (president), 43,500 of 241,012. The remaining selling stockholders are offering shares ranging in amounts from 4,875 to 20,250.

**CHARLES L. GOUSE SENTENCED.** The SEC Fort Worth Regional Office announced August 2 (LR-3289) that Charles L. Gouse, of Dallas, Tex., received a 2-year prison sentence (USDC, WD Okla.), following his plea of guilty to conspiracy to violate the anti-fraud provisions in the sale of interests in oil and gas leases.

**EAGLE CLOTHES FILES FOR OFFERING AND SECONDARY.** Eagle Clothes, Inc., 1290 Avenue of the Americas, New York 10019, filed a registration statement (File 2-23905) with the SEC on August 6 seeking registration of 375,000 shares of common stock. Of this stock, 187,500 shares are to be offered for public sale by the company and 187,500 (being outstanding shares) by the present holders thereof. Shearson, Hammill & Co. Inc., 14 Wall St., New York 10005, is listed as the principal underwriter. The public offering price (\$13.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the design, production and sale of men's apparel and in the operation of 14 retail men's apparel stores. Its products are sold primarily under the trademarks "Eagle Clothes", "Witty Brothers", and "M'sieur Slacks". Net proceeds from its sale of additional stock will be initially applied to reduce short-term indebtedness, with the balance added to working capital to be used for general corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 1,312,850 common shares, of which management officials own 67.3%. The prospectus lists six selling stockholders, including Stanley Goldman (president), offering 50,000 of 389,018 common shares held; Fredrick Goldman (executive vice president), 50,000 of 352,715; and Mildred Wurtzburger, 33,333 of 193,751. The remaining selling stockholders are offering stock ranging in amounts from 13,707 to 16,667 shares.

**MIDLAND CAPITAL RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4318) modifying its previous authorization with respect to certain transactions between Midland Capital Corporation, New York registered closed-end, non-diversified management investment company, and Florence Nightingale Incorporated, a small business concern whose voting securities are 10% owned by Midland. According to the application, Midland and Florence entered into an agreement in December 1963 whereby Midland would lend Florence up to \$496,500 (in addition to certain other financing) to construct and operate a nursing home in New York City. Such loan was to be disbursed from time to time on or before October 1, 1965. Florence has now advised Midland that certain terms of the loan agreement prevent Florence's securing Federal Housing Administration mortgage insurance on long-term financing for construction of the nursing home. As a result, Florence proposes to form a wholly-owned subsidiary which will construct, own and operate the nursing home and, upon receipt of a commitment from FHA for mortgage insurance, will transfer substantially all of its assets to such subsidiary. Midland will continue to be obligated, subject to the terms of said loan agreement, to lend up to an additional \$296,500 to Florence.

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended August 5, 1965, 32 registration statements were filed, 24 became effective, 4 were withdrawn, and 309 were pending at the week end.

**SECURITIES ACTS REGISTRATIONS.** Effective August 6: Diamond International Corp., 2-23662 (40 days); Pneumo Dynamics Corp., 2-23900 (Aug 31); Teledyne, Inc., 2-23850. Effective August 9: Merco Enterprises, Inc., 2-23695 (Nov 18); Palco Corp., 2-23820 (90 days); Southern California Edison Co., 2-23823 (40 days); Square D Co., 2-23804.

**NOTE TO DEALERS.** The last date or the period of time dealers are required to use the prospectus in trading transactions is shown above in the parentheses after the name of the issuer.

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