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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SEC TO PARTICIPATE IN TWO CORPORATE REORGANIZATIONS. The SEC has entered its appearance in proceedings under Chapter X of The Bankruptcy Act for the reorganization of (a) Windermere Hotel Company pending in the U. S. District Court in Chicago and (b) Magic Mountain, Inc., pending in the U. S. District Court in Denver.

An involuntary petition for the reorganization of Windermere Hotel was filed on September 13, 1960. The Debtor filed an answer which acknowledged the need for reorganization, and the petition was approved by the Court on October 12, 1960. The debtor is an Illinois corporation which owns and operates a hotel in Chicago, which is its principal asset. A balance sheet as of April 30, 1960 filed with the petition shows assets of $1,616,487 and liabilities of $5,157,463. The capital structure consists of bonds outstanding in the principal amount of $3,196,000 held by approximately 1,500 bondholders. There are 3,144.8 shares of common stock outstanding, represented by voting trust certificates held by the bondholders or their assigns.

Magic Mountain filed a voluntary petition for reorganization on October 3, 1960. Its principal place of business is Golden, Colorado, and its major asset is an unfinished amusement park in the foothills of the Rocky Mountains west of Denver. The Debtor's petition reported assets of $3,655,897 and liabilities of $1,810,779. There are 3,101,782 common shares outstanding, part of which was sold pursuant to a registration statement filed with the Commission in 1959. These shares are reported to be widely distributed. The Commission will support court approval of the petition.

STUDEBAKER-PACKARD SHARES IN REGISTRATION. Studebaker-Packard Corporation, 635 South Main Street, South Bend, Indiana, filed a registration statement (File 2-17228) with the SEC on October 24, 1960, seeking registration of 324,325 shares of common stock, to be issued to certain former stockholders of D. W. Onan & Sons, Inc. of Minneapolis, as part of the purchase price for all the issued and outstanding stock of Onan.

Studebaker-Packard is engaged in the manufacture, assembly and sale in the United States of passenger cars and trucks, and their related parts and accessories. Onan manufactures specialized electric generating equipment (both standby and portable) and related products including gasoline, gas and diesel engines and components for mobile air-conditioning units. Pursuant to the Purchase Agreement dated September 30, 1960, Studebaker-Packard acquired all the outstanding stock of Onan. The purchase price was (1) cash in an amount equal to the closing net worth of Onan (as defined in said agreement) as of the close of business on August 31, 1960, as determined by joint audit, (2) 324,325 shares of Studebaker-Packard common stock, and (3) contingent cash payments totaling $3,000,000 out of the subsequent earnings of the Onan business. The purchase was effected October 5, 1960 and Onan was dissolved. Of the purchase price for the Onan stock, $6,000,000 was paid on that date, and the balance is payable as follows: (1) the 324,325 common shares on the first business day after this statement becomes effective; (2) on the day following receipt of a final statement as to Onan's closing net worth, cash in an amount equal to the excess thereof over $6,000,000 (or repayment of any deficiency); and annual cash payments beginning on April 15, 1961, not exceeding a total of $3,000,000 based upon the net earnings of the Onan Division of Studebaker-Packard.

The prospectus indicates that former Onan stockholders who receive the 324,325 shares of Studebaker-Packard may wish to sell all or part of their holdings publicly or at private sales; and, accordingly, all the shares are being registered. Members of the Onan family are included in the list of possible shareholders, including Elizabeth Onan (73,044 shares); David W. Onan II (34,301 shares) Lois Onan (76,957 shares); and the Onan Foundation (41,245 shares).

DELISTING OF DIXIE ICE CREAM AND F L JACOBS STOCKS PROPOSED. The SEC has issued orders (Release 34-6403) giving interested persons until November 11th to request a hearing upon applications (1) of the Cincinnati Stock Exchange to delist the common stock of Dixie Ice Cream Company due to the fact that less than 10,000 shares are outstanding and trading on the Exchange is nominal; and (2) of the New York Stock Exchange to delist the common stock of F. L. Jacobs Company due to the fact that the stock is no longer considered suitable for listing because of violations by the company of its agreements with the Exchange.

THREE ISSUES DELISTED. The SEC has granted applications (Release 34-6403) of the American, Pacific Coast and Pittsburgh Stock Exchanges, respectively, to delist the Voting Trust Certificates of Cuban-Venezuelan Oil Voting Trust and the common stocks of Railway Equipment and Realty Co., Ltd., and Reymer & Brothers, Inc.,

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effective at the close of trading sessions November 9, 1960. According to the applications, transfer facilities for the Trust certificates have been terminated due to the lack of funds; Railway Equipment is in process of voluntary liquidation; and Reymer's assets were sold to H. J. Heinz Company and Reymer is in the process of voluntary liquidation.

UNLISTED TRADING SOUGHT IN FAIRCHILD CAMERA STOCK. The SEC has issued an order (Release 34-6403) giving interested persons until November 11th to request a hearing upon an application of the Midwest Stock Exchange for unlisted trading privileges in the common stock of Fairchild Camera & Instrument Corp.

SKELLY OIL FILES STOCK PLAN. Skelly Oil Company, Tulsa, Okla., filed a registration statement (File 2-17230) with the SEC on October 25, 1960, seeking registration of 100,000 shares of common stock, reserved for issuance upon the exercise of options to be granted under the company's Restricted Stock Option Plan for Officers and Other Key Employees of the company.

NEW WESTERN UNDERWRITING CORP. FILES FOR OFFERING. The New Western Underwriting Corporation, 28½ North Main St., Helena, Montana, filed a registration statement (File 2-17231) with the SEC on October 25, 1960, seeking registration of $2,000,000 of 15-Year 6% Subordinated Convertible Debentures, due 1975, to be offered for public sale at 100% of principal amount. The offering is to be made on a best efforts basis by Wilson, Ehli, Demos, Bailey and Company of Billings, which will receive a selling commission of 17%.

The company was organized in August 1959 and is said to be in the early stages of developing, through subsidiaries, a dealer-recourse finance business and a life insurance business. Its dealer-recourse finance subsidiary has operated at a loss amounting to $15,431 as of July 31, 1960, and its recently organized life insurance subsidiary has not yet engaged in any significant insurance operations. The principal purpose of this financing is to provide additional funds for the company's dealer-recourse financing business conducted by The New Western Credit Corporation of Billings, which is engaged in making laons in connection with and dealing in dealer-recourse commercial paper, through the purchase of unsecured long-term promissory notes or debentures of said subsidiary.

The prospectus lists Marlowe J. Ewy of Jordan as board chairman and Thomas H. Mahan of Helena as president. The company had outstanding as of September 10, 1960, 126,672 shares of common stock and 243,144 shares of its preferred stock, including shares fully paid but not issued, all purchased for cash at $2.50 per share. In addition, 202,188 shares of preferred stock and 101,094 shares of common stock had been sold as of said date, but had not been issued, on installment subscriptions under which the Corporation had then received $211,265.66 on account of purchase of preferred shares and $105,632.83 on account of purchase of common shares. Of the foregoing securities, 5,406 shares of preferred stock and 7,703 shares of common stock had been sold to directors, incorporators and advisory board members with $1,372.50 of the aggregate subscription price of securities sold to such persons remaining to be paid under installment subscriptions. Although the Corporation's management considers the outstanding installment subscriptions to be legally enforceable in accordance with their terms, any attempted enforcement thereof may, as a practical matter, be unwarranted, the prospectus states. There consequently is no assurance that the unpaid portions of subscription prices will be received. If received, any such payments will be subject to deduction of additional underwriting commissions in the maximum amount of $110,326.65.

Options have been and are proposed to be granted the company's officers, directors and incorporators, members of its advisory board and other persons, covering a maximum of 272,000 shares at an option exercise price of $2.85 per share.

AMPAL-AMERICAN ISRAEL CORP. PROPOSES OFFERING. Ampal-American Israel Corporation, 17 East 71st St., New York, filed a registration statement (File 2-17232) with the SEC on October 25, 1960, seeking registration of $5,000,000 of Seven Year 6% Sinking Fund Debentures, Series I, 1967, to be offered for public sale through company personnel at 100% of principal amount.

The purposesof the company are to develop trade between the United States and Israel and to participate in the economic development if Israel, principally by making funds available for commercial, banking, credit, industrial and agricultural enterprises concerned with the development of Israel.

According to the prospectus, the primary purpose of this offering is to obtain, and make available, funds for the development and expansion of agricultural, industrial and commercial enterprises in Israel. Substantial amounts of the Corporation's funds have been used to meet the current sinking fund requirements of the presently outstanding issues of debentures, as well as for the repurchase of large amounts of such debentures for future redemption. It is expected that the proceeds of this issue will be made available to enterprises engaged in housing, agriculture, manufacturing of chemicals and fertilizers, foods, tires, shipping, oil drilling, water works and irrigation, automotive transportation, fish canning, wallboard manufacturing and others.

The prospectus lists Rudolf G. Sonneborn as board chairman and Abraham Dickenstein as president. Of 191 shares of common (voting) stock outstanding, Hevrat Ovdim, Ltd., and The Workers' Bank, Ltd. each own 75 shares, and jointly own 12 shares; and of the 45,457 shares of Class "A" (voting) shares outstanding, 25% are owned by Hevrat Ovdim and 25% by Workers' Bank and the remainder are owned by subsidiaries of Hevrat Ovdim.

GUILD MUSICAL INSTRUMENT PROPOSES OFFERING. Guild Musical Instrument Corp., 300 Observer Blvd., Hoboken, N. J., filed a registration statement (File 2-17229) with the SEC on October 25, 1960, seeking registration of 110,000 shares of common stock. The stock is to be offered for public sale at $3 per share through Michael G.

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Kletz & Co., Inc., which will receive a commission of $.33 per share plus $17,000 for expenses. Michael G. Kletz has acquired 10,000 outstanding shares at 10¢ per share from Alfred Dronge, president and principal stockholder of the Instrument Corp.; and an additional 10,000 shares were purchased from Dronge by four other individuals, including two officials of the company. These 20,000 shares, plus 25,000 additional shares held by Dronge, also are included in the registration statement.

The company is a manufacturer of guitars, accordion and guitar amplifiers, and is a distributor of accordions, organs, and guitar and accordion accessory units. It now has outstanding 214,500 shares of common stock. Net proceeds of the sale of the additional 110,000 shares, amounting to about $267,000, will be added initially to the company's general funds. The company plans to retire a $25,000 short-term bank loan and to expend about $35,000 for new machinery and equipment; to use about $75,000 for additional inventory requirements; to set aside $50,000 to develop new sales areas with a larger sales staff; and to add the balance to working capital. Of the outstanding stock, 190,000 shares are owned by Dronge.

CONSUMERS COOPERATIVE ASSOCIATION PROPOSES OFFERING. The Consumers Cooperative Association, 3315 N. Oak Trafficway, Kansas City, Mo., filed a registration statement (File 2-17233) with the SEC on October 25, 1960, seeking registration of $8,000,000 of Subordinated Certificates of Indebtedness (5¼% - Twenty-five years); 320,000 shares of 5½% Preferred Stock (cumulative to extent earned before patronage refunds); 40,000 shares of 4% Second Preferred Stock (similarly cumulative); and 1,000 shares of common stock (non-dividend bearing). The certificates of indebtedness are to be offered for public sale at 100% of principal amount and the preferred and common stock at $25 per share. No underwriting is involved.

The association is a cooperative wholesale purchasing and manufacturing association, as a supply source for local farmers' cooperative associations in several mid-western states. It has been primarily engaged in the manufacture and distribution of petroleum products, fertilizer, feed and other farm supplies; and it also provides a swine marketing and processing service and has two subsidiaries which make operating capital and facility loans and provide property, casualty and group life insurance. Of the proceeds of this financing, some $1,739,600 will be used for the retirement of maturing certificates of indebtedness and redemption on request of such certificates prior to maturity and 5½% preferred stock. The association intends to apply the major portion of the proceeds, supplemented by earnings and depreciation, to facility expansion and improvement.

WISCONSIN SOUTHERN GAS PROPOSES RIGHTS OFFERING. Wisconsin Southern Gas Company, Inc., Lake Geneva, Wisconsin, today filed a registration statement (File 2-17234) with the SEC seeking registration of 27,996 shares of common stock. It is proposed to offer this stock for subscription by common stockholders on the basis of one new share for each five shares held. The record date, subscription price and underwriting terms are to be supplied by amendment. The underwriters are The Milwaukee Company, Harley, Haydon & Co., Inc., and Bell & Farrell, Inc.

The company is engaged in the business of distributing and selling natural gas in parts of Racine, Walworth and Kenosha Counties, Wisconsin, and in the sale of gas appliances and propane gas. It holds a 59% interest in Wisconsin Propane Gas Corp., which has acquired wholesale and retail bottle gas and bulk propane businesses in Prairie du Chien, Dodgeville and Fort Atkinson, Wisconsin. Net proceeds of the sale of additional stock will be used, together with any required treasury funds, to pay $550,000 of bank loans incurred for property additions (which amounted to $700,000 on October 31, 1960). The company's construction expenditures amounted to $577,000 during the 12 months ended August 31, 1960, and they are estimated at $925,000 for the 16 months ending December 31, 1961.

The prospectus lists K. D. Knoblock as president and F. A. O'Neill as executive vice president. The latter owns 14,941 shares (10.7%) of the 138,623 common shares outstanding; and management officials as a group own 47,260 shares (34%).

PIONEER ELECTRONICS PROPOSES RIGHTS OFFERING. Pioneer Electronics Corporation, 2235 South Carmelina Avenue, Los Angeles, today filed a registration statement (File 2-17235) with the SEC, seeking registration of 217,902 shares of common stock. The company proposes to offer this stock for subscription at $1.00 per share by holders of outstanding common stock on the basis of one new share for each share held. The record date is to be supplied by amendment. No underwriting is involved. Richard Woike, of Beverly Hills, California, has agreed to purchase, at $1.00 per share, those shares not subscribed for. According to the prospectus, he has agreed to acquire a minimum of 80,000 such shares, and certain stockholders (including Laurence M. Perrish, president), have waived their opportunity to acquire such stock to immediately provide such minimum.

The company is engaged primarily in the manufacture of replacement television picture tubes, special purpose tubes and high vacuum switches. Of the net proceeds from the stock sale, $125,000 will be used to retire current liabilities, $15,000 for needed capital expenditures, and the balance for working capital.

In addition to certain indebtedness, the company has outstanding 217,902 shares of common stock, of which Perrish owns 36,466 shares, Albert Perrish, a director, 16,001 shares, and management officials as a group 69,067 shares.

COLUMBIA GAS INTRASYSTEM TRANSACTIONS APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14299) authorizing Cumberland and Allegheny Gas Company to sell to Columbia Gas of Maryland, Inc., all of Cumberland's assets and properties in Maryland which it uses in connection with the retail distribution of natural gas, together with cash and other current assets allocable and related to such distribution. Both

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are subsidiaries of The Columbia Gas System, Inc. The book value of the plant (at original cost), less related reserves, was $4,373,889 as of May 31, 1960, and the current assets allocable to the distribution operations, less reserves, amounted to $606,911 including $155,000 of cash. Upon the basis of the May 31 figures, Maryland would have issued $2,346,000 of notes and 70,156 shares of its $25 par stock for the properties.

JOSEPH F. WHALEN JR. ARRESTED. The SEC Boston Regional Office announced October 21st (LR-1816) that Joseph F. Whalen, Jr., of Worcester, Mass. (branch office manager of duPont, Homsey & Company) has been arrested on a warrant charging unlawful hypothecation of customers securities and appropriation of the proceeds of the sale of customers securities in violation of the fraud prohibitions of the Investment Company Act.

CONTEMPT ORDER NAMES JOHN F. McBRIDE. The SEC New York Regional Office announced October 23rd (LR-1817) entry of a Federal court order (USDC SDNY) decreeing that John F. McBride was in contempt of court for violating an injunctive decree prohibiting him from violating the Securities Act registration requirement in the sale of Wyoming-Gulf Corporation stock. Imposition of sentence was suspended and McBride was placed on probation for six months.

ATLEE CORP. ENJOINED. The SEC Boston Regional Office announced October 24th (LR-1818) the entry of a court order (USDC, Mass.) permanently enjoining Atlee Corporation of Waltham, Mass., from further violating the Securities Act registration requirement in the offer and sale of its common stock.

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