

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

Washington, D.C. 20549

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

(Issue No. 66-167)

FOR RELEASE September 1, 1966

NORTHEAST UTILITIES HEARING SCHEDULED. The SEC has issued an order under the Holding Company Act (Release 35-15533) scheduling a hearing for October 6 on a proposal by Northeast Utilities, Boston, Mass., holding company, to issue its common stock in exchange for the publicly-held common stock of two of its public-utility subsidiaries, The Connecticut Light and Power Co. (CL&P) and The Hartford Electric Light Co. The application states that the public owns 122,225 shares (1.37%) and 40,429 shares (1.23%) of CL&P and Hartford, respectively. Northeast proposes to issue 361,694 of its common shares in exchange therefor, on the following bases: 2 Northeast shares for each CL&P share and 2.9 Northeast shares for each Hartford share.

PLAZA INVESTORS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4692) exempting Plaza Investors, Kansas City, Mo., from certain provisions of the Act. The applicant is an employees securities company formed for the benefit of employees and partners of Black & Veatch, consulting engineers of Kansas City, Mo. The governing instrument is a contract providing for a co-tenancy arrangement, and executed by all of the members, or "co-tenants." Under the contract, new co-tenants are admitted once a year and pay in \$100 for ten "units" of ownership. There is no sales load or underwriting charge, and the units are valued monthly on the basis of net asset value and are "reapportioned" each year as of January 1 to re-establish the unit value at \$10. No certificates are issued, and the units are not transferable. When a co-tenant's interest is terminated, an equal number of units are offered to the remaining co-tenants on a rotating alphabetical basis. Each co-tenant has one vote rather than a number of votes based on the co-tenant's financial interest. A majority vote of co-tenants present at a meeting is required for most business decisions; an 80% vote of all co-tenants is needed to amend or terminate the co-tenancy contract. The applicant does not have a board of directors designated as such. However, there is an investment committee whose functions might be considered analogous in some respects to those of a board of directors.

R. DEAN BAIRD ENTERS "NOLO" PLEA. The SEC Denver Regional Office announced August 29 (LR-3575) that R. Dean Baird, Lewiston, Idaho, withdrew his plea of not guilty and entered a plea of nolo contendere to an indictment charging Baird and Joseph L. Smith, Clarkston, Wash., with violating and conspiring to violate the Securities Act anti-fraud provisions in the sale of securities issued by International Sales Co-op Ltd., Inc., SW Fros-T-Pup Co-op, Inc., and MW Fros-T-Dog Co-op, Inc. Trial as to Smith is set for September 19.

PARK ELECTROCHEMICAL FILES FOR SECONDARY. Park Electrochemical Corp., 33-40 Prince St., Flushing, N. Y., filed a registration statement (File 2-25463) with the SEC on August 30 seeking registration of 183,170 outstanding shares of Class A stock. The present holders thereof may offer the stock for public sale from time to time on the American Stock Exchange at prices current at the time of sale (\$5.625 per share maximum*).

The company is engaged in the manufacture of metal trim, used to decorate and identify consumer items principally in the hard goods field, and in the manufacture of copper clad epoxy glass laminates for printed circuitry which are sold to the computer, aero-space, missile and electronics industries. In addition to indebtedness, it has outstanding 906,060 Class A shares, of which management officials own 32% (including 21% owned by Jerry Shore, president). The selling stockholders are David Kend (former president) and his wife (she holds shares and custodian for minor children). Kend is offering 179,910 shares and his wife, 3,260 shares, their entire stock holdings in the company.

UNITED AIRCRAFT PROPOSES RIGHTS OFFERING. United Aircraft Corporation, 400 Main St., E. Hartford, Conn. 06108, filed a registration statement (File 2-25464) with the SEC on August 31 seeking registration of \$60,663,300 of subordinated debentures (due 1991). The debentures are to be offered for subscription by common stockholders at the rate of \$100 principal amount of debentures for each 20 shares held. Any unsubscribed shares are to be offered for public sale through underwriters headed by Drexel Harriman Ripley Securities Corp., 60 Broad St., New York 10004. The record date, interest rate, offering price and underwriting terms are to be supplied by amendment.

The company designs and manufactures aircraft engines, propellers and helicopters. Net proceeds of its debenture sale will be added to general funds and will be applied to the reduction of bank borrowings. The company's expenditures for property additions and improvements are estimated at \$125,000,000 for 1966. In addition to indebtedness, it has outstanding 11,664,275 common shares. H. M. Horner is chairman and William P. Gwinn is president.

ARKANSAS P&L FILES FOR OFFERING. Arkansas Power & Light Company, Ninth and Louisiana Sts., Little Rock, Ark., filed a registration statement (File 2-25465) with the SEC on August 31 seeking registration of 100,000 shares of cumulative preferred stock, \$100 par, to be offered for public sale at competitive bidding. A subsidiary of Middle South Utilities, Inc., the company will use the net proceeds of its stock sale (together with \$10,000,000 derived from the sale of additional common stock to the parent and other funds) for its 1966 construction program and other corporate purposes. Its 1966 construction program is estimated at \$72,300,000.

OVER

THREE STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

Consolidation Coal Company, Koppers Bldg., Pittsburgh, Pa. 15219 (File 2-25456) (50,000 shares)
 Richmond Newspapers, Incorporated, 333 E. Grace St., Richmond, Va. 23213 (File 2-25457) (24,000 shares)
 Beech Aircraft Corporation, 9709 East Central, Wichita, Kans. (File 2-25461) (317,181 shares)

FORD DAVID HARPER BARRED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7944) barring Ford David Harper, former president of Midwest Securities Corp. of Oklahoma City, Okla., from future association with a broker-dealer firm. Harper withdrew his answer to the order for proceedings. Accordingly, under the Commission rules, he may be considered in default and the allegations in the order for proceedings may be deemed to be true. Upon the basis thereof, the Commission found that Harper violated the anti-fraud provisions of the Federal securities laws and aided and abetted Midwest Securities in violating such provisions by causing it to appropriate for its own use money and securities deposited with it by customers and to engage in business without disclosing to customers that it was insolvent. It was also found that Harper aided and abetted the firm's violations of the SEC net-capital and record-keeping rules. (The broker-dealer registration of Midwest Securities was revoked by Commission order of June 3, 1966.)

PENN ELECTRIC PROPOSES BOND OFFERING. Pennsylvania Electric Company, 1001 Broad St., Johnstown, Pa. 15907, filed a registration statement (File 2-25466) with the SEC on August 31 seeking registration of \$25,000,000 of first mortgage bonds, due 1991, to be offered for public sale at competitive bidding. The company will use the net proceeds thereof in connection with its construction program (estimated to cost \$53,000,000 in 1966).

GENERAL TEL. OF CALIF. PROPOSES BOND OFFERING. General Telephone Company of California, 2020 Santa Monica Blvd., Santa Monica, Calif. 90404, filed a registration statement (File 2-25467) with the SEC on August 31 seeking registration of \$45,000,000 of first mortgage bonds, Series S, due 1996. The bonds are to be offered for public sale at competitive bidding. A subsidiary of General Telephone & Electronics Corp., the company will use the net proceeds of its bond sale in connection with its construction program.

UNLISTED TRADING SOUGHT. The SEC has issued orders under the Securities Exchange Act giving interested persons until September 16 to request a hearing on applications of (1) the Detroit Stock Exchange for unlisted trading privileges in the common stock of American Seating Co. and (2) the Philadelphia-Baltimore-Washington Stock Exchange for such privileges in the common stocks of Itek Corp., Emerson Electric Co., United Whelan Corp., Massey-Ferguson, Ltd., Walter Kidde & Co., Inc., Consolidated Foods Corp., and Bucyrus-Erie Co. (Release 34-7947)

UNLISTED TRADING GRANTED. The SEC has issued orders under the Securities Exchange Act granting applications of (1) the Boston Stock Exchange for unlisted trading privileges in the common stock of Cummings Engine Co., Inc., (2) the Detroit Stock Exchange for such privileges in the common stock of Fairchild Hiller Corp., and (3) the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of United States Gypsum Co. (Delaware) and Teledyne, Inc., and in the warrants for common stock of Trans World Airlines, Inc. (Release 34-7947)

DELISTING GRANTED. The SEC has issued an order under the Securities Exchange Act granting an application of the American Stock Exchange to strike from listing and registration the common stock and 7% convertible subordinated debentures (due 1973) of Hoffman International Corp., effective at the opening of business on September 6. The application states that the company does not meet the Exchange's standards for continued listing in respect to earnings. (Release 34-7947)

SECURITIES ACT REGISTRATIONS. Effective August 31: Iowa Electric Light and Power Co., 2-25347; Walter Kidde & Company, Inc., 2-25186 and 25187; Elwin G. Smith & Company, Inc., 2-25184 (Oct 8); Northwestern Bell Telephone Company, 2-25398; Standard Oil Company (Indiana), 2-25414 (40 days); Sunasco Inc., 2-25227 (40 days); Western Reserve Life Assurance Co. of Ohio, 2-25086.
Effective September 1: Arkansas Best Corp., 2-25151 (90 days).
Withdrawn August 31: Riker Delaware Corp., 2-24231; Wesleyan Enterprises, Inc., 2-22645.

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.