

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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

Washington 25, D.C.

(Issue No. 63-3-11)

FOR RELEASE March 15, 1963

**SONY CORP. FILES FOR STOCK OFFERING.** Sony Corporation (Sony Kabushiki Kaisha), Tokyo, Japan, filed a registration statement (File 2-21161) with the SEC on March 13 seeking registration of 3,000,000 shares of common stock (represented by 300,000 American Depositary Shares, each representing 10 common shares), to be offered for public sale through underwriters headed by Smith, Barney & Co., Inc., 20 Broad St., and The Nomura Securities Co., Ltd., 61 Broadway, both of New York. The public offering price (maximum \$2 per common share\*) and underwriting terms are to be supplied by amendment. American purchasers will receive American Depositary Receipts in denominations of from one to 100 American Depositary Shares, each such share representing 10 common shares deposited in Tokyo. According to the prospectus, the American Depositary Shares to be offered will be entitled to participate in a free distribution of shares to holders of record April 30, 1963 in the ratio of one new share for each five shares held.

The company is engaged in the manufacture and sale of transistorized radio and television receivers, magnetic tape recorders and recording tape, and other electronic equipment. The net proceeds from the stock sale will be added to general funds and applied to finance capital expenditures, principally in connection with its construction program, which includes the expansion of manufacturing facilities at two locations in Japan. Estimated capital expenditures for the 1963 construction program are \$10,000,000. In addition to certain indebtedness, the company has outstanding 42,000,000 shares of common stock, of which management officials as a group own 13.3%. Akio Morita, executive vice president, owns 2.6% and has an indirect beneficial interest in an additional 12.3%. Michiji Tajima is board chairman and Masaru Ibuka is president.

**NATIONAL AVIATION FILES RIGHTS OFFERING.** National Aviation Corporation, 111 Broadway, New York, filed a registration statement (File 2-21162) with the SEC on March 14 seeking registration of 253,478 shares of capital stock. It is proposed to offer such stock for subscription by stockholders at the rate of one new share for each five shares held of record on April 11, 1963. The subscription price is to be supplied by amendment. No underwriting is involved.

The company is registered under the Investment Company Act of 1940 as a closed-end non-diversified management company whose investments are, for the most part, in common stocks (and senior securities convertible into stock) of air transport companies and in companies in, or connected with, or serving and/or supplying the aviation (including space) industry. The net proceeds from the stock sale will be added to general funds and used in carrying out the company's investment policies. The company has outstanding 1,267,388 capital shares, of which Merrill Lynch, Pierce, Fenner & Smith, Inc., holds of record 7.6%, and Adams Express Co. (together with a subsidiary) owns 5.1%. Frederick F. Robinson is president.

**CATERPILLAR TRACTOR FILES INVESTMENT PLAN.** Caterpillar Tractor Co., Peoria, Ill., filed a registration statement (File 2-21163) with the SEC on March 13 seeking registration of \$200,000 of participations in its Foreign Service Employees' Monthly Investment Plan, and 8,000 shares of common stock which may be acquired pursuant thereto.

**GENERAL MOTORS FILES STOCK PLANS.** General Motors Corporation, 1175 Broadway, New York, filed registration statements (Files 2-21164 and 2-21165) with the SEC on March 14 seeking registration of (1) 1,182,327 shares of common stock, to be offered pursuant to its Stock Option Plan, and (2) \$54,675,000 of interests in its Savings-Stock Purchase Program for Salaried Employees in the United States, and 1,800,000 common shares which may be acquired pursuant thereto.

**VACUUM-ELECTRONICS FILES STOCK PLAN.** Vacuum-Electronics Corp., Terminal Drive, Plainview, L.I., N.Y., filed a registration statement (File 2-21166) with the SEC on March 14 seeking registration of 72,000 shares of common stock, to be offered pursuant to its Executive Employees' Restricted Stock Option Plan.

**FRANCIS J. BRENEK ARRESTED.** The SEC Seattle Regional Office announced March 8 (LR-2536) the arrest of Francis J. Brenek at Seattle, as the result of a secret indictment returned March 7, 1963, by a federal grand jury (USDC, WD, Wash.) charging Brenek with violations of the Securities Act anti-fraud provisions in the offer and sale of stock and promissory notes of Francis J. Brenek & Co., Inc., formerly a registered broker-dealer, and with other violations of the law in connection with false financial information furnished the Commission concerning liquid assets of Brenek & Co. Bail was set at \$10,000.

**ONE WILLIAM LEVEL INVESTMENT PLANS SEEKS ORDER.** One William Level Investment Plans, a New York investment trust, has applied to the SEC for an order under the Investment Company Act declaring that it ceased to be an investment company; and the Commission has issued an order (Release IC-3652) giving interested persons until March 24, 1963 to request a hearing thereon. According to the application, the Trust has abandoned its plans to offer securities, no securities have been issued either to the public or privately and no money has been received by the Trust, and it has withdrawn its registration statement under the Securities Act.

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**EL PASO NATURAL GAS SEEKS ORDER.** El Paso Natural Gas Company has applied to the SEC for an order under the Trust Indenture Act of 1939 finding that the trusteeship of First National City Bank under two indentures dated 1958 and 1959, and the trusteeship of said bank under an indenture dated September 1957 is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the bank from acting as trustee under all the indentures. The Commission has issued an order (Release TI-183) giving interested persons until April 4, 1963 to request a hearing thereon.

According to the application, the company has outstanding \$59,944,200 of 5½% convertible debentures due 1977 under an indenture dated 1957 which has been qualified under the Act, and \$45,800,000 of 5-1/8% sinking fund debentures due 1975 and \$47,350,000 of 5-3/8% sinking fund debentures due 1979, both under indentures dated 1958 and 1959, respectively, and not qualified under the Act. In January 1963 First National City Trust Company, trustee under the 1957 indenture, merged into First National City Bank, trustee under the 1958 and 1959 indentures, and since the merger First National City Bank has been acting as trustee under all the indentures.

**SOUTHERN BELL T & T SEEKS ORDER.** Southern Bell Telephone and Telegraph Company has applied to the SEC for an order under the Trust Indenture Act of 1939 finding that the trusteeship of First National City Bank under an indenture dated July 1947 (qualified under the Act) and the trusteeship of the said bank under an indenture dated July 1939 (no so qualified) is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the bank from acting as trustee under both indentures. The Commission has issued an order (Release TI-184) giving interested persons until April 4, 1963 to request a hearing thereon.

According to the application, the company has outstanding \$25,050,000 of 3% debentures due 1979 issued under the 1939 indenture with First National City Trust Company as trustee, and \$75,000,000 of 2-7/8% debentures due 1987 issued under the 1947 indenture with First National City Bank as trustee. In January 1963 First National City Trust Company merged into First National City Bank, and since the merger First National City Bank has been acting as trustee under both indentures.

**CONTINENTAL VENDING SUSPENSION CONTINUED.** The SEC has ordered the suspension of exchange and over-the-counter trading in the common stock and debentures of Continental Vending Machine Corporation for a further ten-day period, March 18-27, 1963, inclusive.

**NATIONAL MORTGAGE CORP., OTHERS ENJOINED.** The SEC Fort Worth Regional Office announced March 11 (LR-2537) the entry of a Federal court order (USDC, Kansas) permanently enjoining National Mortgage Corporation, Inc., of Wichita, National Mortgage Agency, Inc., O. K. Bush, Dave Bush, and Sam Namee from further violations of the Securities Act registration provisions in the offer and sale of capital stock of National Mortgage Corp. The defendants consented to entry of the order.

**THREE ENJOINED IN TEXAS IMPERIAL OIL CASE.** The SEC Denver Regional Office announced March 5 (LR-2538) the entry of a Federal court order (USDC, Utah) preliminarily enjoining Frank D. Roberts and Archie L. Brown, of Utah, and Lester C. Brown, of Wyoming, from further violations of the Securities Act registration and anti-fraud provisions in the offer and sale of stock of Texas Imperial Oil and Gas Company, a Texas company. The defendants consented to entry of the order.

**PREFERRED SECURITIES-SPACE TECHNOLOGY HEARING POSTPONED.** The SEC has authorized a postponement from March 18 to April 29, 1963, of the hearing in its Denver Regional Office in broker-dealer revocation proceedings involving Preferred Securities, Inc., of Phoenix and Regulation A proceedings involving Space Technology & Research Corporation of Denver.

**SECURITIES ACT REGISTRATIONS.** Withdrawn March 14: Publishers Company, Inc. (File 2-20690).

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

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