

# 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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FOR RELEASE May 23, 1963

**TOWNSEND MANAGEMENT SEEKS ORDER.** Townsend Management Company (TMC), New Jersey investment company, has applied to the SEC for an order under the Investment Company Act with respect to a proposed merger of its wholly-owned subsidiary, Townsend Securities Corporation (TSC) into TMC; and the Commission has issued an order (Release IC-3704) giving interested persons until June 7, 1963 to request a hearing thereon. TSC, a New Jersey company and formerly a broker-dealer, is now inactive, its assets consisting principally of 450 Class A common shares of TMC and 80,270 common shares of Townsend Corporation of America (TCA), TMC's parent. In 1961, the Commission initiated court action resulting in the entry of an order by a Federal court in New Jersey enjoining TMC (upon consent) from certain violations of the Act, specifying the procedure required for compliance with the Act, and appointing an interim board of directors. The court order provided, in part, that TCA and TMC should file promptly with the Commission a plan for merger of TCA, TMC and Resort Airlines, Inc. (a subsidiary of TCA). The present application states that the corporate structure of the TCA-TMC complex can be simplified and the expenses of preparing and auditing TSC's financial statements can be eliminated by the merger of TSC into TMC and that such merger is preliminary to the subsequent merger of TCA and TMC.

**MIDDLE SOUTH UTILITIES RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-14877) authorizing Middle South Utilities, Inc., New York registered holding company, and five subsidiaries, to use a method of allocating the group's consolidated income tax liabilities which will give to each of the companies included therein the full investment credit each company contributes to the total investment credit allowed on the consolidated returns.

**TWO DELISTINGS APPROVED.** The SEC has granted applications of the New York Stock Exchange to delist the common stocks of Lehigh Valley Railroad Company and The Gabriel Company, both effective at the opening of business on May 31, 1963. (Release 34-7083)

**CORPORATE PENSION FUNDS.** The SEC announces (for May 24th newspapers) that the assets of pension funds of U. S. corporations at the end of 1962 amounted to \$36.0 billion. During the year assets of these funds rose \$3.6 billion, about the same as in 1961. Although contributions and investment income continued to expand, benefit payments also rose. (For further details, see Stat. Release 1902).

**MOORE CO. FILES STOCK PLAN.** E. R. Moore Company, 932 Dakin St., Chicago, filed a registration statement (File 2-21437) with the SEC on May 20 seeking registration of 5,000 shares of common stock, to be offered pursuant to its Employee Stock Purchase Plan.

**ACME VISIBLE RECORDS FILES FOR OFFERING AND SECONDARY.** Acme Visible Records, Inc., Crozet, Va., filed a registration statement (File 2-21438) with the SEC on May 21 seeking registration of 150,000 shares of common stock, of which 57,445 shares are to be offered for public sale by the company and 92,555 shares, being outstanding stock, by the holders thereof. Smith, Barney & Co., Inc., 20 Broad St., New York, heads the list of underwriters. The public offering price (maximum \$20 per share\*) and underwriting terms are to be supplied by amendment.

The company manufactures office filing equipment and related business forms designed to provide accessibility and accuracy in locating, posting and refiling essential information. Of the net proceeds from the company's sale of additional stock, \$300,000 will be used to construct additional new facilities at Crozet, and the balance for the purchase and retirement of 32,445 outstanding common stock purchase warrants and for general corporate purposes. In addition to certain indebtedness, the company will have outstanding 647,069 shares of common stock, after giving effect to the new offering and the conversion by Bessemer Securities Corporation of 5 $\frac{1}{2}$ % preferred shares into 157,143 common shares. Harold S. Geneen, a director, Leonard S. Schmitz, board chairman, and Bessemer Securities propose to sell 6,392, 6,392 and 23,615 shares, respectively, and they then will own 11.6%, 11.6% and 46.3%, respectively, of the company's outstanding stock. Nineteen others propose to sell all of their holdings (with two exceptions) in amounts ranging from 82 to 15,000 shares. After such transactions, Geneen and John M. Kingsley, president of Bessemer Securities, will hold 71.4% of the company's outstanding stock as voting trustees. W. M. St. John is president.

**DYMO INDUSTRIES FILES STOCK PLAN.** Dymo Industries, Inc., 6701 Bay Street, Emeryville, Calif., filed a registration statement (File 2-21439) with the SEC on May 21 seeking registration of 172,846 shares of capital stock, to be offered pursuant to its Selected Employees' Stock-Option Plan.

**LOCKWOOD, KESSLER & BARTLETT FILES STOCK PLAN.** Lockwood, Kessler & Bartlett, Inc., One Aerial Way, Syosset, N. Y., filed a registration statement (File 2-21441) with the SEC on May 22 seeking registration of 21,000 shares of Class A stock, to be offered pursuant to its Stock Option Plan for Officers and Key Employees.

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**CITY OF OSLO PROPOSES BOND OFFERING.** The City of Oslo (Kingdom of Norway) filed a registration statement (File 2-21440) with the SEC on May 22 seeking registration of \$10,000,000 of sinking fund external loan bonds due 1978, to be offered for public sale through underwriters headed by Kuhn, Loeb & Co., Inc., 30 Wall St., New York, and three other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The net proceeds from the bond sale will be added to the City's Loan Fund, from which funds are advanced from time to time to certain revenue-producing municipal enterprises for capital expenditures.

**GENERAL SUPER MARKETS FILES FOR OFFERING AND SECONDARY.** General Super Markets, Inc., 116 Main Ave., Passaic, N. J., filed a registration statement (File 2-21442) with the SEC on May 22 seeking registration of 175,000 shares of common stock, of which 125,000 shares are to be offered for public sale by the company and 50,000 shares, being outstanding stock, by the holders thereof. Hemphill, Noyes & Co., 8 Hanover St., New York, heads the list of underwriters. The public offering price (maximum \$15 per share\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the retail sale of groceries, meat and produce and other items of merchandise in northern New Jersey through a chain of ten supermarkets and one discount house (which includes a supermarket). Of the net proceeds from the company's sale of additional stock, \$500,000 (together with other funds) will be applied to the purchase of equipment, furnishings and inventory and to promotion costs incurred in connection with new store openings expected during the next year. The balance of the proceeds will be used for general corporate purposes, including retirement of a portion of presently outstanding debt. In addition to certain indebtedness, the company has outstanding 761,884 shares of common stock, of which Daniel D. Solomon, board chairman, and Sanford E. Kesselman, president, own 49,112 and 48,912 shares, respectively, and management officials as a group 470,939 shares (74%). Solomon and Kesselman, as well as 8 other selling stockholders, propose to sell 5,000 shares each.

**STESSA SEEKS EXEMPTION.** Stessa, Inc., a Wisconsin company, has applied to the SEC for an order under the Securities Exchange Act of 1934 exempting it from the duty to file annual and other periodic reports with the Commission; and the Commission has issued an order giving interested persons until June 24, 1963 to request a hearing thereon. According to the application, in 1961 the shareholders of the company approved a plan of reorganization whereby a wholly-owned subsidiary of Gimbel Brothers, Inc., would acquire substantially all of the property and business of the company in exchange for common shares of Gimbel Brothers; and the transfer contemplated by the plan was accomplished in April 1962. The company's only activities since consummation of the plan have consisted of paying bills incidental to consummation of the plan, filing tax returns and preparing to dissolve.

**FIRST CASCADE ENJOINED.** The SEC Seattle Regional Office announced May 20 (LR-2631) the entry of a court order (USDC, Oregon) permanently enjoining First Cascade Corporation, an Oregon company, and its executive vice president, Richard C. Van Houten, II, of Portland, from further violations of the Commission's net capital and bookkeeping rules. Van Houten was also enjoined from violations of the Exchange Act anti-fraud provisions. The defendants consented to entry of the injunctions.

**SECURITIES ACT REGISTRATIONS.** Effective May 22: Consolidated Leasing Corp. of America (File 2-20294). Effective May 23: Centennial Life Insurance Co. (File 2-21131); National Fidelity Life Insurance Company (File 2-21231); Maradel Products, Inc. (File 2-21260). Withdrawn May 22: L. F. Widmann Inc. (File 2-19222).

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

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