

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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Washington 25, D.C.

FOR RELEASE November 28, 1960

Statistical Release No. 1716. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended November 25, 1960, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1960, is as follows:

	1957-59 = 100		Percent Change	1960	
	11/25/60	11/18/60		High	Low
Composite	113.5	112.8	+0.6	121.4	107.7
Manufacturing	109.2	108.6	+0.6	122.0	103.6
Durable Goods	113.3	112.9	+0.4	129.5	107.7
Non-Durable	105.4	104.7	+0.7	115.1	99.5
Transportation	92.0	92.1	-0.1	108.3	87.1
Utility	133.5	132.5	+0.8	137.3	118.4
Trade, Finance & Service	131.9	130.8	+0.8	134.1	120.5
Mining	75.4	73.3	+2.9	86.7	67.0

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended November 23, 1960, 21 registration statements were filed, 33 became effective, 1 was withdrawn, and 310 were pending at the week end.

HYDROMATICS, INC. FILES FOR OFFERING AND SECONDARY. Hydromatics, Inc., 5 Lawrence St., Bloomfield, N.J., filed a registration statement (File 2-17329) with the SEC on November 25, 1960, seeking registration of (1) \$1,000,000 of debentures due January 1, 1971, and warrants to purchase shares of common stock of the company prior to January 1, 1971, the debentures and warrants to be offered in units consisting of a \$1,000 debenture and one warrant, and (2) 20,000 shares of common stock of the company proposed to be sold by certain stockholders. Paine, Webber, Jackson & Curtis and Tucker, Anthony & R. L. Day are listed as principal underwriters. The public offering price of the debentures and warrants to be offered by the company, the terms of the warrants, and the underwriting terms are to be supplied by amendment. The public offering price of the common stock being offered by the selling stockholders will be a fixed price determined by the selling stockholders and the underwriters.

The registration statement also covers an additional \$200,000 principal amount of debentures, with warrants attached, which are being offered by the company, at the public offering price less the underwriting discount, to directors, officers, and employees of the company, relatives of such persons, and other persons known to the company who have indicated an interest in its affairs.

Net proceeds received by the company from its sale of the units of debentures and warrants will be used to retire bank borrowings which were used to pay for leasehold improvements at the company's new Bloomfield, N. J., plant, and to purchase additional machinery and equipment during the next twelve months, and the balance will be added to working capital. The company is engaged in the business of designing, manufacturing & selling ball valves.

The selling stockholders are Bernard L. Moss, president and treasurer, who proposes to sell 13,400 shares of his holdings of 127,000 shares (45.1%) and Harrison J. Britton, vice president and secretary, who proposes to sell 6,600 shares of his holdings of 44,200 shares (15.7%).

MISSISSIPPI POWER SEEKS ORDER. Mississippi Power & Light Company, Jackson, Miss., has applied to the SEC for an order authorizing the company to subscribe for not in excess of 9,000 shares of the \$10 par value common stock of Mississippi Business and Industrial Development Corporation at the subscription price of \$10 per share, and the Commission has issued an order (Release 35-14318) giving interested persons until December 13, 1960, to request a hearing on the proposal.

Mississippi Business and Industrial Development Corporation is incorporated under Mississippi law for the purpose of promoting and assisting, through loans, investments, or other business transactions, the location of new business and industry and the expansion or rehabilitation of existing industry in Mississippi. The company has the authority to issue 1,000,000 shares of \$10 par value common stock. Initially, the company will issue

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approximately \$1,000,000 of such stock. Of this amount, approximately \$500,000 of the stock will be subscribed by utility companies, including telephone, gas, electric, and transportation companies, and the other \$500,000 will be sold to business and industry and the general public.

SABER BOATS, INC., OFFERING SUSPENDED. The SEC has issued an order (Release 33-4302) temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by Saber Boats, Inc. (formerly Light House, Inc.), incorporated under the laws of the State of Maryland and formerly located at Accokeek, Maryland. Batten and Company, Washington, D. C., was named as underwriter for this offering.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed January 27, 1960, Saber proposed the public offering of 106,875 shares of its ten cents par value Class B non-voting stock at \$2 per share and 2,500 shares of its ten cents par value Class A voting common stock at \$2 per share. The Commission's suspension order asserts that the offering circular and other material used in connection with the offering contained untrue statements of material facts and omitted to state material facts with respect to (1) the statement in the offering circular that the public offering price was \$2 per share when in fact the stock was offered to some members of the public at \$2 per share and to other members of the public at varying higher prices, (2) the statement in the offering circular that Saber was owner of the "property and plant facilities" described therein when, in fact, legal title thereto was incomplete and was not completed until July 18, 1960, and (3) the financial statements were not prepared in accordance with generally accepted accounting principles and practices in that the issuer represented ownership in the balance sheet of the land and building, when in fact the issuer did not have legal ownership of the assets represented therein. The Commission's order also asserts (1) that the terms and conditions of Regulation A were not complied with in that sales were made to the public without the use of an offering circular and the issuer and the selling stockholder failed to file a complete and accurate report of sales, in that the report, filed May 12, 1960, incorrectly stated that the offering was completed on May 2, 1960, at \$2 per share and failed to disclose the actual commissions paid and received and (2) that the offering was made in violation of Section 17(a) (the anti-fraud provision) of the Securities Act. The Commission's order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

HARRIET BLITZ, H. B. BLOCH AND COMPANY REVOKED. In a decision announced today (Release 34-6423) the SEC revoked the broker-dealer registration of Harriet Blitz, doing business as H.B. Bloch and Company, Newark, N.J., for failure to file reports of financial condition for the years 1957, 1958, and 1959 and for failure to comply with the Commission's net capital rule. The registrant consented to revocation of registration. The Commission also found that Leon Blitz, husband of Harriet Blitz, who took an active part in the management and policy of the registrant's business, and who consented to be named a cause of the net capital violation, aided and abetted the registrant's violations and was a cause of the order of revocation.

BEN HUR GOLD HEARING SCHEDULED. Upon the request of Ben Hur Gold, Inc., Boise, Idaho, the SEC has scheduled a hearing for December 1, 1960, in the Federal Building, Boise, Idaho, on the question whether to vacate, or to make permanent, an earlier order of the Commission temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public stock offering by the said company.

The stock offering was made pursuant to a notification filed in March 1959 and involved 200,000 shares of stock to be offered at ten cents per share. The Commission's suspension order, issued on April 16, 1959, asserted that certain terms and conditions of Regulation A had not been complied with; that the company's offering circular was false and misleading in respect of various material facts; and that, because thereof and the further fact that statements were made implying the existence of commercial quantities of ore and successful mining operations, the stock offering would violate Section 17 (the anti-fraud provision) of the Securities Act.

GLIDDEN FILES STOCK PLAN. The Glidden Company, 900 Union Commerce Bldg., Cleveland, Ohio, filed a registration statement (File 2-17330) with the SEC on November 25, 1960, seeking registration of 179,400 shares of common stock, to be offered to eligible employees pursuant to its Stock Option Incentive Plan.

SEC COMPLAINT NAMES BABSON, KAYE & ROBB CO. The SEC New York Regional Office announced on November 21, 1960 (LR-1841) the filing of a court action (USDC SDNY) seeking to enjoin the broker-dealer firm of Babson, Kaye & Robb Company, of 30 Broad Street, New York City, and its general partners, Irving K. Babson, Philip Kaye and Ernest N. Robb, from further violations of the capital and bookkeeping provisions of the Securities Exchange Act of 1934.

HARRY G. AMES SENTENCED. The SEC Chicago Regional Office announced on November 23, 1960 (LR-1842) that Judge Edwin Robson (USDC, ND, Illinois, Eastern Division) had sentenced Harry G. Ames to three years in the federal penitentiary and a \$5,000 fine. Judge Robson suspended the prison sentence and placed Ames on probation for a period of two years. The count of the indictment to which Ames pleaded guilty charged numerous misrepresentations and the concealment of certain facts by the defendant in the sale of fractional undivided interests in oil and gas leases.