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.

FOR RELEASE February 9, 1962

MOBILE COMPANY OFFERING SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed public offering of stock by Physicians and Dentists Development Corporation, 2480 Government St., Mobile, Ala.

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 November 30, 1961, the said Development Corporation ("issuer") proposed the public offering of 75,000 common shares at $4 per share pursuant to such an exemption. The Commission asserts in its suspension order that it has reasonable cause to believe that the company's offering circular is false and misleading in respect of certain material facts and that the stock offering would violate Section 17 (the anti-fraud provision) of the Act. The order, which also alleges that Regulation A was not complied with by reason of the issuer's failure to include a statement of cash receipts and disbursements in its offering circular, provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

The alleged misrepresentations relate to the following: (a) an overstatement of a $11,500 current asset representing cash in bank, when the only cash on hand was $6,500 represented by either uncashed checks of directors for stock or a trustee account in which some of such checks had been deposited; (b) the capitalization in the balance sheet at $21,500 of fixed assets which substantially exceeded the cash cost of fixed assets represented thereby, consisting of plans, equipment, surveys and prepaid organization expenses; (c) the failure to reflect in the balance sheet a $5,000 liability to the issuer's attorney; (d) the failure to disclose with respect to the issuer's building construction plans that it has no commitments or other agreements for such construction; (e) the failure to disclose with respect to proposed payments of 1% of gross leases to each of three officers that such payments are to be made upon closing of the proposed leases and prior to collection of gross rentals, and (f) the failure to disclose with respect to the experience of the company's president and secretary-treasurer in operating a corporation engaged in a similar business that such persons had operated such corporation unprofitably and had engaged in transactions with the corporations which were not negotiated in arms-length bargaining.

GEORGE HARMON COMPANY HEARING SCHEDULED. The Commission also has granted a request of George Harmon Company, Inc., of Northridge, Calif., for a hearing to determine whether to vacate or make permanent the Commission's order of January 16, 1962, temporarily suspending a Regulation A exemption from registration with respect to a proposed public offering of 62,500 shares of the said Harmon Company common stock by the issuing company, together with warrants for 10,000 common shares (and the underlying stock) for the benefit of Hamilton Waters & Co., Inc., of Hempstead, N. Y., and J. Homer Overholser and Milton Weinberg, finders. The hearing is scheduled for March 5, 1962, in the Commission's Los Angeles Branch Office. The January 16th order alleged among other things that the company's offering circular was false and misleading in respect of certain material facts.

MCWOOD CORP. FILES FINANCING PLAN. McWood Corporation, Oil & Gas Building, Abilene, Texas, filed a registration statement (File 2-19759) with the SEC on February 8th seeking registration of $3,100,000 of 6% subordinated convertible debentures due 1974 and 310,000 shares of common stock, to be offered for public sale in 31,000 units each consisting of $100 of debentures and 10 shares. The offering will be made on an all or none basis through underwriters headed by Dempsey-Tegeler & Co., Inc., of 1000 Locust St., St. Louis, Mo. The public offering price (maximum $160 per unit*) and underwriting terms are to be supplied by amendment. The statement also includes 50,000 shares underlying 5-year options granted to the principal underwriter, exercisable initially at $5.78 per share.

The company is primarily engaged in the crude oil gathering and marketing business, principally in Texas, but also New Mexico and Louisiana. In most instances it purchases crude oil from producers, transports the oil to its own storage facilities, and resells it to customers, principally refiners. Of the net proceeds from the sale of the units, $2,896,020 will be used to pay all outstanding notes payable except real estate mortgage notes totaling $212,186 (of which $1,950,000 of indebtedness was incurred in connection with the company's recent purchase of the assets of Onyx Refining Company for $1,936,636). Of such amount, $1,250,000 will be repaid to stockholders of the company who advanced part of the funds necessary for such acquisition. The balance of the proceeds will be initially added to working capital and may be used to finance the construction or acquisition of additional oil storage and pipeline gathering facilities and oil transport trucks.

In addition to various indebtedness and preferred stock, the company has outstanding 1,000,000 shares of common stock, of which Ray McGlothlin, president, owns 21.54% and management officials as a group 84.75%. McGlothlin and members of his immediate family own an aggregate of 60.52% of the outstanding stock.

BRIGGS LEASING CORP. FILES FINANCING PLAN. Briggs Leasing Corporation, 130 Cuttermill Road, Great Neck, L. I., N. Y., filed a registration statement (File 2-19760) with the SEC on February 8th seeking registration of $650,000 of 6-3/4% convertible subordinated debentures due 1972 and 65,000 shares of common stock, to be offered for public sale in 6,500 units, each consisting of $100 of debentures and 10 shares. The offering will be made on an all or none basis through underwriters headed by D. H. Blair & Company

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(42 Broadway, New York). The public offering price (maximum $105 per unit*) and underwriting terms are to be supplied by amendment. The statement also includes 5-year warrants to purchase 750 like units ($75,000 of debentures and 7,500 shares) to be sold to the principal underwriter for $750, exercisable at $165 per unit. The underwriter will sell, at cost, 275 of such warrants to Carl M. Loeb, Rhoades & Co. and 100 of such warrants to Charles Pachner, as finder's fees.

The company (formerly Briggs New York Distributors, Inc.) is engaged in the business of leasing automobiles on a long-term basis to individuals and businesses, principally in the New York metropolitan area. The net proceeds from the sale of the units will be used primarily in the acquisition of one or more additional businesses in the vehicle or equipment leasing field. The prospectus indicates that no such acquisition is currently in the process of negotiation, and if a favorable acquisition cannot be found, the proceeds will be added to working capital and will be used for possible fleet expansion and renewals, permitting the company to borrow a smaller portion of the purchase price it pays for automobiles. Such proceeds may initially be used to reduce existing obligations on equipment loans.

In addition to certain indebtedness, the company has outstanding 216,000 shares of common stock, of which Edward Rosenstock, president, Herbert Rosenstock, vice president, and Lester Rosenstock, secretary-treasurer, own 33-1/3% each.

AMERICAN FIRST MORTGAGE INVESTORS FILES FOR OFFERING. American First Mortgage Investors, 305 South County Road, Palm Beach, Fla., filed a registration statement (File 2-19761) with the SEC on February 8th seeking registration of 1,300,000 shares of beneficial interest in the said Trust, to be offered for public sale at $15 per share. The offering will be made on an all or none basis through underwriters headed by Hayden, Stone & Co. Incorporated (25 Broad Street, N.Y.), which will receive a $1.50 per share commission. The statement also includes 130,000 shares underlying a 30-day option granted to the underwriters to cover over-allotments.

The company was organized under Massachusetts law in February 1962 as a business trust to afford shareholders an opportunity to invest in, and to derive income from a diversified portfolio of, real estate first mortgages. Its mortgage investment activities will include (a) acquisition of development and construction first mortgages and first mortgage financing (or refinancing) completed properties, (b) mortgage "warehousing" operations (whereby interim loans to mortgage bankers are secured by mortgages which may be withdrawn from time to time from the "warehousing" arrangements as such mortgages are purchased by permanent investors and the loans repaid), and (c) issuance of standby commitments (the accommodation to lending institutions, local mortgage banking firms, builders and developers by issuing, for a fee, standby commitments to purchase first mortgages financing completed residential or commercial properties at substantial discount). The net proceeds from the sale of shares will be used for the purchase or other acquisition of first mortgages secured by interests in real property. During the initial year of operation, a substantial portion of the Trust assets will be used for "warehousing" loans and in connection with standby commitments, and a substantial portion of its investments will be in first mortgages to finance the purchase of residential and related commercial properties, a substantial portion of which are expected to be insured by the FHA or guaranteed by the VA. The Trust has entered into contract with American Mortgage Management, Inc., a Florida corporation, whereby AMM, among other things, will serve as investment advisor and consultant to the Trust.

The Trust has outstanding 14,815 shares of beneficial interest (sold or to be sold between February and April 1962 at $13.50 per share), of which H. Loy Anderson, chairman of Trustees, and Jerry Thomas, secretary-treasurer, own 18% and 14%, respectively, and trustees as a group 78%. Anderson and Thomas are also board chairman and vice president, respectively, of AMM and own an aggregate of 75% of its outstanding stock.

PROVIDENT FUND FOR INCOME SEEKS ORDER. Provident Fund for Income, Inc., Philadelphia investment company has joined with Provident Management Corporation of Philadelphia, principal underwriter for Fund shares, in the filing of an application for an exemption order under the Investment Company Act permitting certain purchasers of its shares to complete their purchases on the basis of the offering price existing prior to a proposed adjustment in the sales load applicable to Fund shares. The sales load is expected to be increased on the effective date of a registration statement amendment to be filed by the Fund. On purchases of over $200,000, the increase in sales load will be from 1% to 2% (expressed as a percentage of the applicable offering price); and the amount of increase will be graduated downward, depending upon the amount of purchase with an increase from 6% to 7.5% on purchase of from $5,000 to $24,999. The 8.5% sales load will be continued as to purchases under $5,000. Exemption is sought to permit those investors who executed a purchase agreement within 13 months prior to the effective date of the new offering price to complete purchases of Fund shares under such agreements at the then current rather than the proposed public offering price, if the then current price was lower.

BISHOP OIL DELISTING APPROVED. The SEC has granted an application of the Pacific Coast Stock Exchange to delist the common stock of Bishop Oil Company, effective close of business February 23d, the company's stockholders having approved its liquidation (Release 34-6729).

UNLISTED TRADING SOUGHT. The SEC has issued orders (Release 34-6729) giving interested persons until February 23d to request a hearing upon an application of the Boston Stock Exchange for unlisted trading privileges in Martin-Marietta Corporation common stock, and a similar application of the Philadelphia-Baltimore Stock Exchange for such privileges in American Depositary Receipts for Ordinary Shares of Unilever Ltd.

DUE DATE FOR FORM S-8 COMMENTS POSTPONED. The SEC has extended from February 5 to March 5, 1962, the due date for comments upon its proposal to amend registration Form S-8 under the Securities Act of 1933, used for the registration of certain securities to be offered to employees pursuant to employee stock purchase, savings or similar plans.

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UTAH CONCRETE PIPE FILES FOR STOCK OFFERING. Utah Concrete Pipe Co., 379 17th Street, Ogden, Utah, filed a registration statement (File 2-19758) with the SEC on February 8th seeking registration of 110,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Schwabacher & Co., 100 Montgomery St., San Francisco. The public offering price (maximum $10 per share*) and underwriting terms are to be supplied by amendment. The statement also includes (1) 11,000 shares underlying 5-year options sold to the principal underwriter for $1,100, exercisable initially at 115% of the public offering price, and (2) 5,402 shares underlying warrants previously issued to the principal underwriter in connection with an offering by the company in 1959, exercisable until 1963 at $6.71 per share. A $16,440 fee is payable to Schwabacher for arranging a loan to the company incident to its acquisition of properties, as set forth below.

The company is engaged in the manufacture and sale of concrete pipe, concrete masonry products, corrugated metal pipe, telephone conduit and miscellaneous concrete products in Utah, Southeastern Idaho and adjacent areas. In December 1961 the company entered into an agreement with Clark Concrete Construction Corp., Concrete Products Co., Inc., Idaho Concrete Products, Inc., Wandamere, Inc., Gemstone Insulation Products, Inc. and Merland Clark and Opal Clark, to acquire all of the physical assets owned by said corporations and individuals used in connection with the operation of their concrete products businesses in Idaho. The total purchase price of such facilities is $2,250,000 of which $250,000 has been paid in cash, $600,000 has been paid by the issuance of the company's unsecured promissory note in such amount, $50,000 is payable in common stock of the company on or before June 1, 1962 and the balance of $1,350,000 is payable in cash on or before June 1, 1962. The company has entered into a loan agreement with The Prudential Insurance Company of America providing for a loan to the company of $1,200,000; and the company will pay the principal underwriter a fee of $16,440 for arranging such loan. Of the net proceeds from the stock sale (together with the proceeds of a $1,200,000 loan from Prudential Insurance), $360,000 will be used to repay an existing loan from Prudential, $1,350,000 to pay balance due June 1, 1962 pursuant to the purchase agreements, and the balance will be used for working capital.

In addition to certain indebtedness, the company has outstanding 223,050 shares of common stock, of which Charles E. Ward, president, and M. Lloyd Jolley and Golden Buttars, vice presidents, own over 15% each and management officials as a group 77.18%.

ALEX. REID & CO. REGISTRATION SUSPENDED. The SEC today announced a decision (Release 34-6727) suspending the broker-dealer registration of Alexander Reid & Co., Inc., of 972 Broad Street, Newark, N. J., for "fraudulent representations" in the offer and sale of stock of Woodland Oil & Gas Co., Inc. "Boiler-room" sales techniques were used, the Commission stated, which involved high-pressure telephone solicitation and the use of false and misleading representations which evidenced "a serious disregard of the basic standards of fair and honest dealing." Accordingly, the Commission concluded, suspension of the Reid & Co. registration was necessary in the public interest and for the protection of investors pending final determination of the question whether its registration should be revoked.

Reid & Co.became registered as a broker-dealer in February 1959, succeeding to the business previously conducted by its president and sole stockholder, Alexander Silberman. Between August 1960 and July 1961 Reid & Co. had sold over 400,000 shares of stock of Woodland Oil & Gas Co., Inc., which previously was engaged in oil and gas operations but in 1960 had acquired the assets of a company that had developed a machine known as Speed-O-Fax, designed to transmit a facsimile of documents over telephone lines. Based upon the testimony of numerous investor witnesses, the Commission ruled that in the offer and sale of Woodland stock during February-April 1960 at prices ranging from $1.25 to $1.875 per share, Reid & Co. made various false representations with respect to Woodland's existing contracts, negotiations, profits and production, and the purchase of large blocks of stock by certain interests.

Moreover, the Commission held, Reid & Co., Silberman and the firm's salesmen also represented that the Woodland stock could double in a short period, should triple in 90 days, and had a chance to go up three or four times, would probably climb to about $15 or $20 within a year, and would rise like others which had gone up from low prices to $40 and $50 a share, and that the investor should purchase at once or he would lose his opportunity because the price would soar. Such predictions of very substantial price rises to named figures with respect to a promotional and speculative security of an unseasoned company "cannot possibly be justified," the Commission stated. "In our experience such predictions have been a hallmark of fraud."

SECURITIES ACT REGISTRATIONS. Effective February 8: ADR's of Tokyo Shibaura Electric Co., Ltd. (Toshiba) (File Nos. 2-19420 and 2-19421). Effective February 9: General Plywood Corp. (File 2-19023); Interstate Hosts, Inc. (File 2-19083); Minneapolis Scientific Controls Corp. (File 2-18907); Popular Library, Inc. (File 2-19148); Sheraton Corporation of America (File 2-19069).

ORAL ARGUMENTS, WEEK OF FEBRUARY 12: (1) Investors Diversified Services, Inc., 2:30 P.M., February 14; (2) D. F. Bernheimer & Co., Inc., 2:30 P.M., February 15.

*As estimated for purposes of computing the registration fee.

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