

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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VEND-MART FILES FOR STOCK OFFERING. Vend-Mart, Inc., 565 Fifth Avenue, New York, filed on Jan. 22 a registration statement (File 2-21027) with the SEC seeking registration of 60,000 shares of common stock, to be offered for public sale at \$4 per share. The offering will be made on an agency best efforts basis by M. G. Davis & Co., Inc., 150 Broadway, New York, which will receive a 40¢ per share selling commission and \$6,500 for expenses. The statement also includes 7,500 outstanding shares to be sold to the underwriter by principal stockholders at 25¢ per share. A \$5,000 finder's fee is payable by the company to Alan Florea (pro-rated to the number of shares sold).

Organized in 1961, the company commenced operations in April 1962 and is presently in the developmental stage. It is engaged in the operation of coin-operated automatic ice cube vending machines and clothes washing and drying machines in New York and New Jersey. The \$184,000 estimated net proceeds from the stock sale will be used to repay outstanding indebtedness (including \$7,148 plus accrued interest to its president); for purchase of additional laundry equipment and laundry routes for the operation of similar equipment and to purchase other types of coin-operated machines vending services or products; for acquisition of new locations for operation of laundry and ice vending and other vending and coin-operated equipment, including the making of investments relating to real property as possible sites for such equipment; and for working capital. The company has outstanding 171,000 shares of common stock, of which Stephen Schlossman, president, and Donald Engel, board chairman, own 38.2% each and management officials as a group 88.3%. Sale of new stock to the public at \$4 per share will result in an increase in the book value of stock now outstanding from 30¢ to \$1.02 per share, with a resulting dilution of \$2.98 per share in the book equity of stock purchased by the public.

TEXAS POWER & LIGHT PROPOSES BOND OFFERING. Texas Power & Light Company, 1511 Bryan St., Dallas, filed on Jan. 22 a registration statement (File 2-21028) with the SEC seeking registration of \$10,000,000 of first mortgage bonds due 1993, to be offered for public sale at competitive bidding. The net proceeds from the bond sale, together with other funds (including a \$1,336,000 contribution by its parent, Texas Utilities Company), will be used for construction expenditures in 1963 and for other corporate purposes. The company's construction program is estimated at \$26,900,000 in 1963 and \$35,500,000 in 1964.

CORPORATE UNDERWRITERS ENJOINED. The SEC San Francisco Regional Office announced January 18 (LR-2487) the entry of a Federal court order (USDC, Phoenix) permanently enjoining Corporate Underwriters Co., a Phoenix broker-dealer, and Ernest A. Ragland, its president, from further violations of the anti-fraud provisions of the Federal securities laws in the offer and sale of stock of Mechanical Enterprises, Inc. of Alexandria, Va. The defendants consented to entry of the injunction. Baruch Rabinowitz (also known as Baruch Robbins) and Joan Rabinowitz (also known as Joan Robbins), other defendants named in the Commission's complaint, were preliminarily enjoined by the Court in November 1962.

GENERAL PUBLIC UTILITIES SEEKS ORDER. General Public Utilities Corporation, New York registered holding company, has applied to the SEC for an order under the Holding Company Act authorizing a proposed increase in the amount of its authorized common shares from 24,970,000 to 30,000,000 shares (23,836,398 shares are presently outstanding) in order to make provision for obtaining, as needed from time to time over the next few years, the cash required for the common stock equity component of the capital requirements of the GPU holding-company system; and the Commission has issued an order (Release 35-14792) giving interested persons until February 18 to request a hearing thereon. According to the application, a favorable vote of a majority of GPU's outstanding shares is required to effectuate the proposed amendment to its Certificate of Incorporation, and GPU proposes to solicit such vote in connection with the solicitation by the GPU management of proxies for the annual meeting of shareholders to be held on April 1, 1963.

TECUMSEH INVESTMENT FILES FOR STOCK OFFERING. Tecumseh Investment Company, Inc., 801 Lafayette Life Bldg., Lafayette, Ind., filed a registration statement (File 2-21029) with the SEC on January 21 seeking registration of 48,500 shares of common stock, to be offered for public sale at \$100 per share. The offering will be made on a best efforts basis by Amosand, Inc., which will receive a \$15 per share selling commission. In the event subscriptions for at least 18,500 shares are not obtained within two years from the effective date of the registration statement, the proceeds (less the 15% commission to the underwriter) will be refunded to investors. The statement also includes 6,000 pre-incorporation shares in a life insurance company to be formed by the company (assuming at least 18,500 company shares are sold), which shares will be held by the company (except directors' qualifying shares).

The company was organized under Indiana law in November 1962 by Donald M. Amos, president, and Alvin "Bib" Halverson, George Spitz and Charles M. Maddox, vice presidents. The company is a holding company and intends to organize a life insurance company under Indiana law, with major emphasis placed on the development of life insurance and annuity business. Of the net proceeds from the stock sale, \$250,000 will be retained by the company and invested in United States Government bonds, and the balance will be invested in the insurance company, primarily to establish a surplus to permit the sale or other acquisition of life insurance business. The four promoters hold subscriptions to purchase an aggregate of 1,484 shares of the company at \$85 per share.

CLINTON OIL FILES OIL AND GAS PROGRAM. Clinton Oil Company, 6810 West Highway U.S. 54, Wichita, Kansas, filed a registration statement (File 2-21030) with the SEC on January 22 seeking registration of \$4,000,000 of participating interests in its 1963 Oil and Gas Program, to be offered for public sale at \$10,000 per interest. No underwriting is presently involved.

The company was organized under Delaware law in January 1963. The purchase of a participating interest will enable the participant to invest as co-owner in acquisition and exploration of oil, gas or other mineral leases or royalties and in the development and operation of any of the properties upon which a discovery is made. The company will manage the Program and, according to the prospectus, will undertake to evaluate and explore not less than 25 properties during the term of the agreement. Of the minimum \$10,000 commitment, \$7,000 is payable to the Exploration Fund for acquisition and exploration of properties, \$2,400 is payable to the Operating Fund for equipping, developing and operating expenses on properties on which exploration has been successfully completed, and \$600 is directly applied to commission costs. Participants may be requested to expend additional funds for exploration of specific properties acquired for the Program but not explored prior to termination of the Exploration Fund, or for equipping, developing and operating expenses of specific properties after expenditure of amounts originally committed to the Operating Fund. According to the prospectus, the general effect of the Program is that participants will receive 60% interest in the properties for paying 90% of all costs, including costs of completion and equipping of the first successful well on each property, and the company will receive 40% interest for paying 10% of costs and providing the services of its officers and employees. R. P. Clinton, president, and Eleanor Clinton own 12,501 shares of the company (of 50,000 outstanding).

SECURITIES ACT REGISTRATIONS. Effective January 21: Tennessee Gas Transmission Co. (File 2-20822).
Effective January 22: Genesco, Inc. (File 2-21002); Glass-Tite Industries, Inc. (File 2-20519).
Effective January 23: Dallas Power & Light Co. (File 2-20997); Wellington Electronics, Inc. (File 2-20845).
Withdrawn January 22: American Finance Company, Inc. (File 2-17994); Gourmet Food Products, Inc. (File 2-20410); Mac-Allan Company, Inc. (File 2-19829).

DREXEL ENTERPRISES FILES FOR SECONDARY. Drexel Enterprises, Inc., Drexel, North Carolina, today filed a registration statement (File 2-21032) with the SEC seeking registration of 156,414 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Lehman Brothers, One William St., New York, and two other firms. The public offering price (maximum \$25 per share*) and underwriting terms are to be supplied by amendment.

The company manufactures a broad line of household furniture and a line of furniture and related equipment for institutions and specialized purposes. It sells nationally through its three principal operating divisions, Drexel Furniture Company, Heritage-Morganton Furniture Company and Southern Desk Company. The company has outstanding 1,431,836 shares of common stock, of which management officials as a group own 5.75%. Robert O. Huffman is president and board chairman. The prospectus lists 13 selling stockholders, including the trustees under the will of Charles E. Kistler (for the benefit of Mary W. Kistler, et al.), who propose to sell 49,090 of 79,090 shares held. In addition, the First National Bank of Morganton, together with other persons, as trustees and executors of a certain trust and a certain will, propose to sell 40,000 of 123,026 shares held. Others propose to sell amounts ranging from 634 to 14,400 shares.

*As estimated for purposes of computing the registration fee.

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