

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 December 2, 1963

Statistical Release No. 1940. The SEC Index of Stock Prices, based on the closing prices of 300 common stocks for the week ended November 29, 1963, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1963 is as follows:

	1957-59 = 100		Percent Change	1963	
	11/29/63	11/22/63		High	Low
Composite	149.1	141.2	5.6	150.6	130.6
Manufacturing	139.3	131.5	5.9	141.9	121.1
Durable Goods	137.8	129.0	6.8	141.4	116.2
Non-Durable Goods	140.8	134.0	5.1	144.3	125.8
Transportation	132.7*	124.0	7.0	132.7	106.4
Utility	190.3*	182.0	4.6	190.3	170.3
Trade, Finance & Service	176.0	168.0	4.8	180.9	153.8
Mining	132.3	121.3	9.1	135.6	104.2

*New High

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended November 28, 1963, 24 registration statements were filed, 14 became effective, 2 were withdrawn, and 271 were pending at the week-end.

REGISTRATIONS OF THREE BROKERS REVOKED. In decisions announced today (Releases 34-7176, 34-7177, and 34-7178), the SEC revoked the broker-dealer registrations of (1) Fliederbaum, Mooradian & Co., 149 Broadway, New York City, (2) Professional Investment Company, 3505 Turtle Creek Blvd., Dallas, Texas, and (3) Woods & Company, Inc., 201 N. St. Mary's St., San Antonio, Texas, and expelled Fliederbaum, Mooradian and Professional Investment from membership in the National Association of Securities Dealers, Inc. Stanley Fliederbaum and Setrag Mooradian, general partners of Fliederbaum, Mooradian & Co., Lester Irvin Reeves, president and a principal stockholder of Professional Investment Company, and Donald Thomas Woods, president and a principal stockholder of Woods & Company were found to be causes of the respective orders.

In its decision with respect to Fliederbaum, Mooradian, the Commission found that during the period from about June 30, 1962, to July 23, 1962, the firm, aided and abetted by Fliederbaum and Mooradian, violated the anti-fraud provisions of the Securities Exchange Act and the Commission's net capital rule in that, in the conduct of a securities business while in violation of that rule, they did not disclose that the firm was insolvent and unable to meet its current liabilities. The Commission also found that they failed to file a financial report for the calendar year 1962 and that their application for registration was materially misleading.

With respect to Professional Investment, the Commission found that the firm, aided and abetted by Reeves, violated provisions of the Securities Exchange Act and Commission rules thereunder in that they filed in April 1963 an application for registration which contained false and misleading statements with respect to the firm and its financial condition, they used the mails and interstate facilities from February to June 1963 to induce the purchase and sale of securities when the firm was in violation of the Commission's net capital rule, and during the period from about May 1, 1963, to June 27, 1963, they failed to make and keep current certain books and records relating to the firm's business as required by the Commission's record-keeping rule.

The Commission found with respect to Woods & Company that the firm, and Woods individually, during the period from about July 25, 1961, to February 22, 1962, violated the registration and anti-fraud provisions of the federal securities laws in the offer and sale of common stock of Dynamic Metals, Inc., and that during periods in 1961 they violated the Commission's net capital and record-keeping rules and failed to file a financial report for the year 1961. The Commission also noted that in February 1962 a federal court in Texas, on the basis of a complaint filed by the Commission, and with the firm's consent, entered a final judgment permanently enjoining the firm from violations of the registration, anti-fraud, net capital, and record-keeping provisions of the federal securities laws, and that in May 1962 the National Association of Securities Dealers, Inc., expelled the firm from membership.

H. J. HANSEN AND COMPANY CITED. The SEC, upon the basis of allegations by its staff, has ordered administrative proceedings under the Securities Exchange Act of 1934 to determine whether an application for registration as a broker-dealer filed by Howard James Hansen, doing business as H. J. Hansen and Company, 1914 Connecticut Ave., N. W., Washington, D. C., should be denied. A hearing for the purpose of taking evidence in this matter will be scheduled later. The staff charges involve the question whether Hansen, while employed in 1960 and 1961 by Atlantic Equities Company, violated the registration and anti-fraud provisions of the federal securities laws in the offer and sale of common stock of Siltronics, Inc., and, if so, whether it is in the public interest to deny his application for registration. (Similar proceedings are pending with respect to Atlantic Equities and certain other firms.)

OVER

CANADIAN INTERNATIONAL FUND RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3835) granting an application of Canadian International Growth Fund Limited, Montreal, Can., a registered open-end investment company under the Act, Van Strum & Towne Canada Ltd., Montreal, Can., and Van Strum & Towne, Inc., New York, for a temporary exemption from the provisions of Section 15(a) of the Act to the extent that such provisions require approval by the shareholders of Canadian International of investment advisory contracts between Van Strum Canada and Van Strum and Canadian International. The exemption will be effective for the period from the effective date of the proposed merger of Channing Corporation and Channing Financial Corporation to the date of the next annual meeting of the shareholders of Canadian International.

Van Strum Canada and Van Strum are wholly-owned subsidiaries of Channing Corporation, which, in turn, is 99%-owned by Channing Financial Corp. A merger of Channing Corp. and Channing Financial is proposed, the latter to be the surviving corporation. Upon effectiveness of such merger, legal title to the voting securities of Van Strum Canada and Van Strum, which have investment advisory contracts with Canadian International, will by operation of law vest in Channing International. Although this may result in an "assignment" of the existing advisory contracts with Canadian International, the application stated that no substantive change in control of the two advisers would result since Channing Financial owns 99% of the voting securities of Channing Corp. However, it is proposed to execute new advisory contracts between Canadian International and the investment advisers.

VAN STRUM & TOWNE RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3836) granting an application of Van Strum & Towne, Inc., 85 Broad St., New York, for a temporary exemption from the provisions of Section 15(a) of the Act to the extent that such provisions require the approval by the shareholders of certain investment companies of investment advisory contracts between Van Strum & Towne, Inc., and such investment companies. Channing Corporation, the parent of Van Strum & Towne, Inc., proposes to merge with Channing Financial Corporation, the latter to be the surviving corporation. (See Release IC-3835, above.) The temporary exemption granted by the Commission will be effective for the period from the effective date of the merger to the respective dates of the next annual meetings of shareholders of the investment companies which are parties to the investment advisory contracts. The companies are Institutional Shares, Ltd., Institutional Income Fund, Inc., Managed Funds, Incorporated, and The Florida Mutual Fund, Inc.

NORTHWEST NATURAL GAS FILES FINANCING PROPOSAL. Northwest Natural Gas Co., 735 S. W. Morrison St., Portland, Oregon, filed a registration statement (File 2-21906) with the SEC on November 27 seeking registration of \$14,000,000 of 25-year first mortgage bonds and 60,000 shares of preferred stock, \$100 par, to be offered for public sale through underwriters headed by Lehman Brothers, One William St., New York. The offering prices of the bonds and preferred stock (maximum \$101 per bond* and \$100 per share*, respectively), as well as the underwriting terms, are to be supplied by amendment. The company's principal business is the distribution of natural gas to customers in the states of Oregon and Washington. Net proceeds of the financing will be used to redeem outstanding preferred stock called for redemption on January 15, 1964, and first mortgage bonds called for redemption on February 1, 1964. Any balance of the net proceeds will be applied to the company's 1964 construction program, estimated at \$9,000,000. Charles H. Gueffroy is chairman of the board, and Francis F. Hill is president.

SHOWTIME PRODUCTIONS FILES FOR FINANCING. Arlene Willis and John F. Doran, of Showtime Productions, 55 West 42nd St., New York, filed a registration statement (File 2-21907) with the SEC on November 26 seeking registration of 50 units of pre-formation limited partnership interests to be offered for public sale by Willis and Doran, as general partners, at \$8,000 per unit. No underwriting is involved. When contributions amounting to \$400,000 have been raised, Showtime Productions, a limited partnership, will be formed under New York law for the purpose of producing "Dancing on a Rainbow," a musical play, and the contributions will be used for that purpose.

The play is an original musical with book and lyrics by Willis (professional name "Holli Huston") written in association with Doran (professional name "Jack Devron"). Willis and Doran, as general partners, will be entitled to receive 50% of the net profits of the partnership, for which they will make no cash contribution, and will also receive, as authors-composer of the musical, 8% of the gross weekly box office receipts, in addition to certain advances against royalties.

TASTEE FREEZ - CONTINENTAL VENDING SUSPENSIONS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending trading in securities of Tastee Freez Industries, Inc., and Continental Vending Machine Corporation for an additional ten-day period, December 3 to 12, 1963, both dates inclusive.

PEOPLES PROTECTIVE LIFE INSURANCE FILES FOR REGISTRATION. Peoples Protective Life Insurance Company, 207 North Market St., Jackson, Tenn., filed a registration statement (File 2-21908) with the SEC on November 26 seeking registration of 38,074.56 shares of Class A common stock (\$1.00 par value) and 152,298.24 shares of Class B common stock (\$1.00 par value), to be offered for public sale in units consisting of 4 shares of Class B (non-voting) and 1 share of Class A (voting) common stock. The offering is to be made at \$100 per unit by Palm Beach Investment Company, Inc., Palm Beach, Fla., on a best efforts basis, for which it will receive a maximum commission of 15% (plus certain expenses -- total commission, discounts and expenses may not exceed \$20 per unit or 20% of the sale price).

The company is engaged in the business of selling three main lines of insurance - industrial, ordinary and health and accident insurance in the states of Tennessee, Kentucky, Arkansas, Alabama, Georgia, Louisiana and Mississippi. Proceeds from the proposed sale will be applied (1) toward the company's expansion program in the industrial line; (2) toward the purchase of other life insurance companies presently in

existence, or the business thereof; and (3) to expand in territories now serviced by the company. As of December 31, 1962 there were outstanding 196,253.875 shares of Class A common stock and 102,289.325 shares of Class B common stock. All directors and officers as a group own (of record only) 71,096.375 shares of Class A stock, 37,880.375 shares of which are owned of record by R. B. Smith, Jr., president and chairman of the board.

PARAMOUNT INTERNATIONAL COIN FILES FOR REGISTRATION. Paramount International Coin Corporation, 1 North Main St., Englewood, Ohio, filed a registration statement (File 2-21909) with the SEC on November 27 seeking registration of 1400 shares of non-voting Class A common stock, 1000 shares of which will be offered for public sale through the company's officers and employees and 400 of which have been reserved for distribution under stock option agreements and stock purchase plans (restricted stock options having already been granted to Michael V. DiSalle, James F. Kelly, Max J. Humbert and James F. Ruddy, whereby each has the right to purchase fifty shares of the Class A common stock at a price of \$1100 per share). The public offering will be made at \$1,000 per share. No underwriting will be involved.

The company was organized in 1963 under Ohio law to engage in the wholesale and retail acquisition, holding, management and disposition of domestic, foreign and ancient coins, currency, commemoratives, medals, and other numismatic items. Proceeds from the sale are to be added to the company's working capital and used for inventory purchases. It is anticipated that organizational and operational expenses will not exceed \$100,000, which was obtained through a private offering of 100 shares of Class B common stock. If it becomes necessary, however, it is proposed that proceeds from the sale of the Class A common stock may be used for operational expenses. Officers and directors as a group own 25% of the Class B common stock. Michael V. DiSalle is chairman of the board of directors and James F. Kelly is president.

JONES & LAUGHLIN STEEL FILES STOCK PLAN. Jones & Laughlin Steel Corporation, 3 Gateway Center, Pittsburgh, Pa., filed a registration statement (File 2-21910) with the SEC on November 27 seeking registration of shares of common stock which may be purchased from time to time for employees participating in the company's Savings Plan.

INTERNATIONAL MILLING FILES FOR OFFERING AND SECONDARY. International Milling Company Inc., 1200 Investors Bldg., Minneapolis, Minn., filed a registration statement (File 2-21912) with the SEC on November 29 seeking registration of 450,000 shares of common stock (\$1.00 par value), to be offered for public sale through a group of underwriters headed by Kidder, Peabody & Co., 20 Exchange Place, New York. The offering price (maximum \$35.00 per share*) and underwriting terms are to be supplied by amendment. 203,195 of these shares are being offered by the company and the remaining 246,805 shares by a large group of stockholders, 62 of whom own 500 or more shares.

The company has been in the flour milling business in the United States and Canada since 1892 and the prospectus states that it is one of the largest producers of wheat flour in North America. In recent years the company has introduced new products -- baking mixes for home use in Canada, formula feeds for livestock and poultry and prepared flour mixes for commercial customers -- and has extended its market to a number of foreign countries. In addition the company has developed bulk flour handling systems which are used widely by the bakery and macaroni industries. Proceeds available to the company from its sale of additional stock will be added to its general funds, to be used for capital improvements and to reduce short term seasonal borrowings. In addition to certain indebtedness the company has outstanding 2,147,888 shares of common stock. Officers and directors as a group own common stock as follows: 673,285 shares (31.35%) of record and beneficially; 199,200 shares (9.27%) beneficially but not of record and 118,312 shares (5.51%) of record only. These figures do not include 21,897 shares owned beneficially, directly or indirectly, under trust agreements. Chas. Ritz is chairman of the board and director and Atherton Bean is president and a director. The president proposes to sell 40,000 of his holdings of 245,744 shares; and A. B. Dygert, trustee under various trust agreements each of which is for the primary benefit of John B. Bean or one of his children, proposes to sell 30,112 of 199,200 shares held.

HANNA MINING COMPANY SEEKS ORDER. The Hanna Mining Company, 1300 Leader Bldg., Cleveland, has applied to the SEC for an exemption order under the Investment Company Act with respect to certain proposed transactions, and the Commission has issued an order (Release IC-3833) giving interested persons until December 12, 1963, to request a hearing on the application.

The M. A. Hanna Company, Cleveland closed-end investment company, owns 46.5% of the outstanding voting securities of Hanna Mining, which is engaged primarily in the production and sale of iron ore. Hanna Mining requests an order exempting from the provisions of Section 17(a) of the Act the proposed sale of 6,000 shares of the capital stock of Hanna Ore Mining Company and 350 shares of the Class A capital stock of Douglas Mining Company to Hanna Mining by Wheeling Steel Corporation, and the assumption by Hanna Mining of Wheeling's obligations to purchase iron ore from Hanna Ore and Douglas. The application further seeks an order granting the application under Section 17(d) of the Act and Rule 17d-1 thereunder to permit the proposed acquisition by Hanna Mining of said interest in Hanna Ore and transactions by Hanna Mining and National Steel Corporation in connection with the operation of Hanna Ore on the basis of an agreement among stockholders of Hanna Ore and a management contract between Hanna Ore and Hanna Mining.

Hanna Ore and Douglas are Minnesota corporations engaged in owning, leasing and operating iron ore properties in Minnesota. Hanna Ore has outstanding 40,000 shares of capital stock, of which Wheeling owns 6,000 shares, or 15%, and National owns 34,000 shares, or 85%, including 6,000 shares which National recently acquired from Armco Steel Corporation. Douglas has outstanding 500 shares of Class A stock and 500 shares of Class B stock. Hanna Mining owns all of the Class B stock and 150 shares, or 30%, of the Class A stock, and Wheeling owns the remaining 350 shares, or 70%, of the Class A stock. Hanna Mining proposes to purchase from Wheeling its 6,000 shares of the capital stock of Hanna Ore for approximately

\$1,666,000 and its 350 shares of the Class A stock of Douglas for approximately \$475,000. Wheeling will assign to Hanna Mining, and Hanna Mining will assume, all of Wheeling's rights and obligations to purchase ore from Hanna Ore and Douglas. Hanna Mining and National, as stockholders of Hanna Ore, will be obligated to purchase their respective proportionate shares of the iron ore production of Hanna Ore on the terms and conditions set forth in the stockholders' agreement.

VARIAN ASSOCIATES FILES EMPLOYEE STOCK PLAN. Varian Associates Employee Stock Purchase Plan, 611 Hansen Way, Palo Alto, Calif., filed a registration statement (File 2-21914) with the SEC on November 29 seeking registration of a stock purchase plan for eligible employees, directors, consultants of the company and any designated subsidiary.

SECURITIES ACT REGISTRATIONS. Effective November 29: American Re-Insurance Co. (File 2-21810). Effective December 2: New World Fund, Inc. (File 2-21090).

*As estimated for purposes of computing the registration fee.

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