SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

Washington 25, D.C.

August 8, 1956

FOR RELEASE ______________

Haughton Elevator Company, Toledo, O., filed a registration statement (File 2-12695) with the SEC on August 7, 1956, seeking registration of 160,511 Common Shares ($1 par). These shares are now outstanding and are to be offered for public sale by the holders thereof through an underwriting group headed by McDonald & Company. The public offering price and underwriting terms are to be supplied by amendment.

The company has outstanding 401,200 common shares, all of which are owned by 121 officers and employees of the company. The selling stockholders own a total of 130,900 shares, of which they propose to sell 160,511, or 40% of the outstanding stock. The selling stockholders (all of whom are directors), and the amounts to be sold by them are: H. R. Platt, President, 20,400; J. A. Brubaker, vice president, 8,160; H. W. Seymour, Secretary-Treasurer, 8,160; G. J. Mundy, Director, 8,840; and R. Lighthall, Assistant Secretary, 6,800.

The Company manufactures, sells, installs, and services passenger and freight elevators.

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Ocean Drilling & Exploration Company, New Orleans, La., today filed a registration statement (File 2-12696) with the SEC seeking registration of 211,238 shares of its $1 par Common Stock. The company proposes to offer additional shares of its common stock for subscription by common stockholders at the rate of 1 additional share for each 6 shares held of record August 28, 1956. The subscription price and underwriting terms are to be supplied by amendment. The exact number of shares to be offered will depend on the number of shares issued upon the exercise, prior to the record date, of options held by officers and employees and of warrants held by others; but the number will not be less than 208,061 and not more than 211,238 shares. Morgan Stanley & Co. and Reinholdt & Gardner are listed as the principal underwriters.

Ocean Drilling's principal business is the operation of submersible drilling barges and supporting marine equipment in the Gulf of Mexico. It was formed in 1953 and is controlled by Murphy Corporation, which owns 658,328 shares (approximately 52.7%) of its outstanding stock, 2,295 of the 5,000 outstanding shares of 5% preferred stock, and $201,960 of the $440,000 outstanding subordinated Sinking Fund Debentures, of Ocean Drilling. C. H. Murphy, Jr., is president and board chairman of Murphy and a director and board chairman of Ocean Drilling; and the two companies have other common officers and directors. Murphy is engaged in the exploration for, development, production and sale of crude oil and natural gas and extraction and sale of liquefied petroleum products. Approximately 86% of Murphy's common stock is owned directly or indirectly by C. H. Murphy, Jr., and members of his family.

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Net proceeds of the financing will be added to the general funds of the company. The company has under construction two drilling barges, a supply boat and six crew boats, estimated to cost $5,350,000. Progress payments on these barges and boats have been made from working capital and from the proceeds of short-term bank borrowings which may be repaid in whole or in part following completion of this financing. Two drilling barges owned by Ocean Drilling are now engaged in drilling for oil and gas in offshore waters of the Gulf of Mexico; and the two new barges now under construction will be similarly engaged when delivered to the company. It is contemplated that Murphy will purchase 109,722 shares of the additional stock.

FOLLOWING FOR RELEASE IN MORNING NEWSPAPERS OF THURSDAY, AUGUST 9, 1956

Chairman J. Sinclair Armstrong of the Securities and Exchange Commission today announced a proposal of the Commission to revise its Statement of Policy governing literature used in the sale of investment company securities so as to preclude the use of charts and tables which may create misleading impressions with respect to performance of such companies.

Interested persons are invited to submit written views and comments thereon not later than October 31, 1956; and a public hearing on the revision proposal has been scheduled for November 15, 1956, at 10:00 A.M.

"Our primary objective," Chairman Armstrong commented, "is to provide against the use of charts and tables in supplemental sales literature used in the offering of investment company securities which may offend the statutory standards of fair disclosure and hence mislead investors. The practice has developed, through use of illustrative charts and tables in sales literature, of portraying as the performance of a given company a combined, assumed original or periodic investment, an assumed retention of such investment for a long period, and an assumed compounding of all accruals on the investment. The resulting assumed performance is obtained by a combination in such charts or tables of three separate elements, namely, income from dividends and interest on portfolio securities, profits from the sale of portfolio securities, and unrealized appreciation or depreciation in the market value of portfolio securities. In connection with its determination as to whether the revised Statement should be adopted, the Commission will determine whether this practice tends to conceal and destroy the basic financial facts concerning the fluctuations in investment income, profits, and asset value and may be materially misleading as a basis for selling investment company securities.

"The Statement of Policy was adopted by the Commission in 1950 after an exhaustive study of investment company literature conducted by the Commission and representatives of the investment company business. It sets forth the respects in which the Commission considers that literature used in connection with the sale of investment company shares may be misleading and violate the standards of the Securities Acts, which, generally speaking, provide that it shall be unalwful to offer or sell securities by means of any untrue statement or omission of a material fact or by any fraudulent or deceitful practice or device. The Commission believes that the proposal announced today should serve to reinforce these principles."

Under the new proposal, any chart or table depicting the record of an assumed investment would have to show separately, and not in any combination, changes in net asset value of the original investment at year-ends, amounts of dividends from net investment income, and amounts of distributions from capital gains paid in any year. It would also require that any chart or table showing either the record of an assumed investment or of a company shall be prepared on a basis which does not assume reinvestment of investment income or capital gains distributions. The restriction presently in the Statement of Policy limiting charts or tables to a period of not more than ten years would be eliminated. The rate of return represented by the dividends from net investment income paid during each period will be required to be shown in charts or tables included in prospectuses and in sales literature as a percentage of the average monthly offering price for that period.

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