

# 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.

FOR RELEASE December 10, 1956

## Statistical Release No. 1422

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended December 7, 1956, for the composite and by major industry groups, compared with the preceding week and with the highs and lows for 1956, is as follows:

	<u>(1939 = 100)</u>		<u>Percent Change</u>	<u>1956</u>	
	<u>12/7/56</u>	<u>11/30/56</u>		<u>High</u>	<u>Low</u>
Composite	346.0	333.7	+ 3.7	366.2	319.0
Manufacturing	443.9	424.7	+ 4.5	468.6	398.6
Durable Goods	427.5	408.9	+ 4.5	437.6	369.4
Non-Durable Goods	459.5	439.6	+ 4.5	500.8	425.2
Transportation	318.9	305.5	+ 4.4	353.0	303.2
Utility	152.4	151.9	+ 0.3	161.5	151.6
Trade, Finance & Service	290.8	287.3	+ 1.2	325.5	290.7
Mining	365.4	368.0	- 0.7	383.2	326.8

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Idaho Power Company (Boise) filed a registration statement (File 2-12941) with the SEC on December 7, 1956 seeking registration of \$20,000,000 of First Mortgage Bonds, Series due 1987, to be offered for public sale at competitive bidding. Net proceeds will be used to pay short-term bank loans (interim financing of construction expenditures), estimated at \$17,400,000, and to reimburse the company's treasury in part for construction expenditures and provide for further construction. The company's estimated construction budget for 1957 aggregates \$47,184,000.

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American Insurance Trust Fund, Reno, Nevada (formerly United States Trust Fund), filed a registration statement (File 2-12942) with the SEC on December 7, 1956, seeking registration of \$5,000,000 of Participating Agreements.

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Tower Acceptance Corporation, Houston, Texas, filed a registration statement (File 2-12943) with the SEC on December 7, 1956, seeking registration of 200,000 shares of its Class A Common Stock (\$1 par), to be offered for public sale at \$5 per

share through an underwriting group headed by S. D. Fuller & Co. The underwriting commission is to be 75¢ per share. Net proceeds will be used to increase the working capital of the company, which is engaged in the business of making small loans to individual borrowers in Georgia, South Carolina, Tennessee and Texas.

Holding Company Act Release No. 13330

Mississippi Power & Light Company, Jackson, has applied to the SEC for authorization to issue \$9,000,000 of short-term notes to banks; and the Commission has issued an order giving interested persons until December 26, 1956, to request a hearing thereon. The borrowings are to be made during the period January 2, 1957, to January 31, 1958. Proceeds will be used to defray a portion of the cost of the company's construction program, presently estimated to involve expenditures of \$14,000,000 in 1957 and \$20,000,000 in 1958, and for other corporate purposes. The company states that it expects to refund the notes from the proceeds of the sale of additional bonds in 1958.

Holding Company Act Release No. 13331

The Columbia Gas System, Inc., has joined with two of its subsidiaries, Natural Gas Company of West Virginia (Pittsburgh) and ~~The Columbia Gas System, Inc., (New York)~~, *Ohio Fuel Gas Company* in the filing of an application for approval of the merger of Natural Gas into Ohio Fuel; and the Commission has issued an order giving interested persons until December 27, 1956, to request a hearing thereon.

Prior to the merger, Columbia Gas proposes to make a cash capital contribution to Natural Gas of \$1,731,038.83, equal to its earned surplus deficit at August 31, 1956. Thereafter, pursuant to the merger agreement, Natural Gas will be merged into Ohio Fuel, the surviving corporation; and upon the effective date of the merger Natural Gas will transfer all its assets to Ohio Fuel and Ohio Fuel will assume all of Natural Gas' liabilities, including promissory notes in the amount of \$4,026,000 owing to Columbia Gas. Upon consummation of the merger, all of the 56,472 shares of Natural Gas common stock, having an aggregate net worth of \$5,647,230, will be exchanged by Columbia Gas for 125,494 shares of Ohio Fuel's common stock having an identical aggregate par value. The proposed merger is said to be a further step in Columbia Gas' overall plan of property realignment designed to consolidate the retail gas business in each state into a single gas utility company, and the wholesale gas business of the system into a single company.

Investment Company Act Release No. 2455

American Research and Development Corporation, Boston investment company, and Magnecord, Incorporated, Chicago, have joined in the filing of an application with the SEC for an exemption order with respect to certain transactions involved in the proposed merger of Magnecord into Midwestern Instruments, Inc., of Tulsa; and the Commission has issued an order giving interested persons until December 20, 1956, to request a hearing thereon.

Magnecord is engaged in the manufacture of professional, industrial and consumer magnetic recording tape and recording equipment or any other information which can be translated into electric impulses. According to the application, its financial

position has continued to be precarious and additional working capital is urgently needed. However, neither American Research nor Magnecord's other security holders are willing to provide the additional funds. American Research's efforts to find a solution to Magnecord's problems resulted in the proposal for its merger with Midwestern, which is primarily engaged in the manufacture of industrial electronic equipment such as oscillographs, galvanometers, torque motors and the like.

Prior to the merger, holders of \$800,000 of registered notes of Magnecord are to receive in exchange 2311.5 shares of Magnecord common for each \$5,000 of such indebtedness, and holders of the remaining \$824,000 of other Magnecord notes will receive 833.2 shares for each \$5,000 of notes; Hammond, Kennedy & Legg Company will receive 17,281 shares of Magnecord common as a finder's fee; and Fifty Associates, lessor of Magnecord's Chicago plant, will receive 24,114 shares of Magnecord common in consideration for termination of the lease and release of options to purchase common stock of Magnecord. Thereupon, the two companies will be merged; and, in connection therewith, Midwestern will issue 149,511 shares of its common stock (representing 20% of the common stock of the surviving company) in exchange for the then outstanding Magnecord common, on the basis of 1 share of Midwestern common for each 4.623 shares of Magnecord common. Consummation of the merger is conditioned, among other things, upon the approval of holders of two-thirds of the outstanding stock of each company. One of the inducements for such merger is the availability of Magnecord's net losses aggregating approximately \$2,000,000 for tax purposes.

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Pittsburgh Plate Glass Company, Pittsburgh, Pa., today filed a registration statement (File 2-12945) with the SEC seeking registration of 146,511 shares of its \$10 par Common Stock. These shares are to be offered pursuant to a Stock Option Plan by Pittsburgh Plate Glass Company to certain employees of the company and certain corporations directly or indirectly controlled by it at \$76.12 per share.

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