

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

Washington 25, D.C.

FOR RELEASE

July 1, 1957

Statistical Release No. 1463

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended June 28, 1957, for the composite and by major industry groups, compared with the preceding week and with the highs and lows for 1957, is as follows:

	<u>(1939 = 100)</u>		<u>Percent Change</u>	<u>1957</u>	
	<u>6/28/57</u>	<u>6/21/57</u>		<u>High</u>	<u>Low</u>
Composite	352.4	350.7	+ 0.5	359.3	322.5
Manufacturing	454.6	452.2	+ 0.5	462.7	405.7
Durable Goods	420.7	417.3	+ 0.8	426.8	382.7
Non-Durable Goods	485.9	484.3	+ 0.3	495.7	427.1
Transportation	293.6	289.8	+ 1.3	317.5	286.1
Utility	156.9	157.0	- 0.1	163.5	156.2
Trade, Finance & Service	281.9	278.8	+ 1.1	290.1	274.8
Mining	379.8	383.1	- 0.9	402.3	340.5

Securities Act Release No. 3806

The Securities and Exchange Commission has issued an order temporarily suspending a Regulation D exemption from registration under the Securities Act of 1933 with respect to a public offering of securities by Colonial Asbestos Corporation Limited, of Kitchener, Ontario, Canada. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation D (which was consolidated with Regulation A in July, 1956) provided a conditional exemption from registration with respect to public offerings of securities by Canadian companies not exceeding \$300,000 in amount. In its Regulation D notification, filed March 30, 1953, Colonial proposed the public offering of 490,000 shares of its common stock at 60¢ per share pursuant to such an exemption. In its suspension order, the Commission asserts that Colonial failed to comply with certain terms and conditions of the regulation. Furthermore, according to the order, Colonial's offering circular and other sales literature were false and misleading in respect of material facts, and their use "would operate as a fraud and deceit upon the purchasers" of Colonial stock.

More particularly, the Commission's order alleges that the terms and conditions of Regulation D were not complied with by Colonial, in that use was made of certain

written communications which were not filed with the Commission; there was a failure to deliver an offering circular to certain persons to whom Colonial stock was offered; the notification failed to state each of the jurisdictions (states) within which the stock would be sold; and Colonial failed to file the required semi-annual reports of stock sales and the use to which the proceeds were applied.

In addition, according to the order, Colonial's offering circular and other sales literature contained false and misleading information with respect to (1) the profitable nature of investments in securities of asbestos companies, (2) the demand for Colonial stock, (3) the status of Colonial's titles to its unpatented mining claims and more particularly the performance of the work requirement to which the titles were subject, and (4) the financial condition of Colonial, more particularly the failure to disclose Colonial's financial condition as of a reasonable current date prior to the offer of securities.

Securities Act Release No. 3807

The Securities and Exchange Commission has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of securities by Triassic Uranium, Inc., of Casper, Wyoming. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration under the Securities Act with respect to public offerings of securities not exceeding \$300,000 in amount. In its notification, filed September 20, 1954, Triassic proposed the public offering of 30,000,000 shares of its common stock at 1¢ per share pursuant to such an exemption.

The Commission asserts in its suspension order that Triassic has not complied with a requirement of the Regulation for the filing of semi-annual reports reflecting the amount of stock sold and the use of the proceeds thereof. Furthermore, according to the order, Triassic's offering circular is false and misleading in respect of certain material facts, including the address of Triassic; the identity of its officers, directors and affiliates and the interests of such persons in Triassic; and the action, if any, taken by Triassic with respect to an option to purchase certain mining claims during the life of the option. The use of said offering circular without appropriate disclosure concerning these matters, the order stated, "would operate as a fraud and deceit upon the purchasers" of Triassic stock.

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National Tea Co., Chicago, filed a registration statement (File 2-13454) with the SEC on June 28, 1957, seeking registration of \$12,000,000 of Sinking Fund Debentures, due August 1, 1977, to be offered for public sale through an underwriting group headed by Hemphill, Noyes & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds from the sale of the debentures will be added to the company's general funds and will be applied to the payment of the long-term debt of Miller's Supermarkets, Inc., aggregating some \$1,795,000, as well as \$8,000,000 of bank notes and \$320,000 of bank loans of National. Substantially all of the stock of Miller's which operates a chain of 27 supermarkets in the Denver area of Colorado and Wyoming was acquired by National on May 15, 1957, for approximately \$7,500,000 in cash.

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Dunham-Bush, Inc., West Hartford, Conn., filed a registration statement (File 2-13455) with the SEC on June 28, 1957, seeking registration of 45,000 shares of its \$2 par Common Stock, issuable at \$12 per share upon exercise, prior to April 1, 1962, of 45,000 common stock purchase warrants. The warrants were attached to debentures of Dunham-Bush issued in connection with its acquisition of the assets of Brunner Manufacturing Company, Utica, N. Y., earlier this year.

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AlSCO, Inc., Akron, Ohio, filed a registration statement (File 2-13456) with the SEC on June 28, 1957, seeking registration of 200,000 shares of its \$1 par Common Stock. The company proposes to offer this stock for public sale. The names of the underwriters, as well as the public offering price and underwriting terms, are to be supplied by amendment.

AlSCO is a Delaware corporation incorporated under Delaware law on June 14, 1957, which succeeded to the business of AlSCO, Inc., an Ohio corporation, its predecessor, organized in September, 1945. Three of the founders, Harry, Saul and Ben Sugar, who are brothers, continue in the active management of the company. In December of 1948, Alumiwal Corp. was organized by founders of the predecessor to fabricate material for it. In 1959 the predecessor acquired all of the outstanding stock of Alumiwal Corp. at the book value thereof, and on June 1, 1954, it was merged into the predecessor. On May 1, 1955, Merced Moldings Inc. and Western Forest Products, Inc., two small wholly owned subsidiaries, not significant in the company's total operations, were merged into the predecessor. The company recently acquired all of the outstanding stock of Summit Aluminum Smelting Corp., organized March, 1950, and AlSCO Products of Canada, Ltd., organized October 31, 1951, both of which had stockholders substantially in common with the company.

Net proceeds of this financing will be added initially to the general funds of AlSCO and will be available for the general corporate purposes of the company and its subsidiaries. Of such funds, it is presently intended to apply: (1) approximately \$150,000 for completing construction of and equipping the hot rolling mill at Gnadenhutten, Ohio; (2) approximately \$80,000 to liquidate loans by the Estate of Dora Sugar Weinstock advanced for construction purposes and the purchase of cold rolling mill equipment; (3) approximately \$270,000 to liquidate loans advanced for purchase of equipment for and construction of the Sugar Creek, Ohio plant, of which \$70,000 was loaned by an officer and \$20,000 by a stockholder of the company; (4) \$200,000 to reduce bank loans; and (5) the balance for additional working capital of the company and its subsidiaries.

Holding Company Act Release No. 13511

The SEC has issued an order exempting The Pure Oil Company (Chicago) from all provisions of the Holding Company Act on the grounds that it is only incidentally a holding company, being primarily engaged or interested in one or more businesses other than the business of a public utility company.

Investment Company Act Release No. 2550

Composite Bond and Stock Fund, Inc., and Composite Fund, Inc., Spokane, Wash-ton, investment companies, have applied to the SEC for an exemption order permitting their purchase of \$200,000 each of the \$30,000,000 of First Mortgage Bonds

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proposed to be issued and sold by Washington Water Power Company; and the Commission has issued an order giving interested persons until July 11, 1957, to request a hearing thereon. Because one of the underwriters of the Washington Water Power Company offering, Murphey Favre, Inc., is the principal underwriter for the two Funds, certain of whose officers and directors are also officers and directors of Murphey Favre, purchase of the Washington Water Power bonds by the two Funds is prohibited by the Investment Company Act unless an order of exemption is issued by the Commission.

Holding Company Act Release No. 13510

Standard Shares, Inc., has applied to the SEC for authorization to extend the maturity of a \$1,250,000 promissory note held by The Hanover Bank of New York until July 29, 1958; and the Commission has issued an order giving interested persons until July 19, 1957, to request a hearing thereon.

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Crown Cork & Seal Company, Inc., Baltimore, filed a registration statement (File 2-13457) with the SEC on June 28, 1957, seeking registration of 60,000 shares of \$2.50 par Common Stock, to be offered for subscription by officers and key employees of the company and its subsidiaries pursuant to the company's Employee Stock Option Plan.

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