

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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HOLDING COMPANY ACT RELEASE

GENERAL PUBLIC UTILITIES SEEKS ORDER. The SEC has issued an order under the Holding Company Act (Release 35-16869) giving interested persons until November 3 to request a hearing upon an application of General Public Utilities Corporation, New York holding company, to offer up to \$58,000,000 of debentures, due 1980, for subscription by common stockholders of record November 4, at the rate of \$2 of debentures for each share held. GPU also proposes to issue and sell from time to time unsecured short-term promissory notes to banks provided that the aggregate principal amount outstanding at any one time of (a) all such notes to banks, (b) notes to banks as heretofore authorized (Release 35-16770) and (c) the new debentures shall not exceed \$83,000,000. GPU will use the net proceeds of its debenture sale to pay its promissory notes (issued as commercial paper or to evidence short-term bank borrowings) then outstanding, the proceeds of which have been or will be issued for investments in its subsidiaries. The proceeds from the bank notes will be used for investment in subsidiaries.

SECURITIES ACT REGISTRATIONS

CAPITAL MORTGAGE INVESTMENTS FILES OFFERING PROPOSAL. Capital Mortgage Investments (the "Trust"), 5530 Wisconsin Ave., Chevy Chase, Md. 20015, filed a registration statement (File 2-38600) with the SEC on October 15 seeking registration of \$5,000,000 of capital notes, due 1972, Series A, to be offered for public sale through underwriters headed by Legg, Mason & Co., Inc., 22 Light St., Baltimore, Md. 21203, and Mackall & Coe, Inc., 738 15th St., N. W., Washington, D. C. 20005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The Trust invests primarily in first mortgage construction loans and first mortgage development loans. Capital Managers, Inc., is investment adviser. Carey Winston is chairman of the Trust and William N. Demas is managing trustee of the Trust and president of the adviser.

RESEARCH DEVELOPMENT TECHNIQUES PROPOSES OFFERING. Research Development Techniques International, Inc., 358 St. Marks Place, Staten Island, N. Y. 10301, filed a registration statement (File 2-38601) with the SEC on October 15 seeking registration of 140,000 shares of common stock and 140,000 common stock purchase warrants, to be offered for public sale in units, each consisting of one share and one warrant, and at \$13 per unit. The offering is to be made by Willis E. Burnside & Co., Inc., 40 Exchange Pl., New York 10005, which will receive a \$1.30 per unit selling commission plus up to \$30,000 for expenses. The company has agreed to sell the underwriter, at 1¢ per warrant, five-year warrants to purchase up to 14,000 shares, exercisable after one year at from \$12.84 to \$15.36 per share; it also has agreed to pay \$45,000 or 3% of the gross proceeds of the offering, as a finders fee.

Organized in February 1968, the company is engaged in attempts to license the Weberizer (a patented device and process utilizing light in controlled wave lengths to effect certain chemical reactions and used in processing of beer) and related systems on a commercial basis and in sponsoring research concerning the "Weberizer" process and related systems which might employ the Weberizer device and in sponsoring research in the area of environmental problems. Of the net proceeds of its stock sale, up to \$250,000 will be used to pay contractual obligations with Rensselaer Research Corporation ("RRC"), \$250,000 in connection with obtaining patent protection for the processes which the company and RRC are developing and \$250,000 to purchase machinery; the balance will be added to the company's working capital and used for general corporate purposes including payment of bank debt. The company has outstanding 849,258 common shares, of which Joel B. Grae, president, owns 21.92%, Harry H. Lipsig, board chairman, 15.07% and management officials as a group 52.06%. Purchasers of the shares being registered will acquire a 14.15% stock interest in the company for their investment of \$1,820,000*; present stockholders will then own 85.85% for which they paid approximately \$584,460.

WISCONSIN ELECTRIC TO SELL STOCK. Wisconsin Electric Power Company, 231 W. Michigan St., Milwaukee, Wisc. 53201, filed a registration statement (File 2-38602) with the SEC on October 16 seeking registration of 400,000 shares of preferred stock (\$100 par), to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005 and two other firms. The dividend rate, offering price (\$101 per share maximum*) and underwriting terms are to be supplied by amendment. An electric utility, the company will use \$14,000,000 to retire short-term borrowings (estimated at \$53,000,000 for the company and its subsidiaries at the time of the stock sale), to reimburse its treasury for expenditures previously made and for general corporate purposes. Construction expenditures are estimated at \$68,000,000 for 1970 and at \$66,000,000 for 1971.

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BURROUGHS TO SELL STOCK. Burroughs Corporation, 6071 Second Ave., Detroit, Mich. 48232, filed a registration statement (File 2-38603) with the SEC on October 16 seeking registration of 1,000,000 shares of common stock, to be offered for public sale through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., and Lehman Brothers, One William St., both of New York. The offering price (\$119-3/4 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in designing, developing, manufacturing, distributing and servicing a broad line of business equipment. Net proceeds of its stock sale will be applied to the reduction of short-term debt. In addition to indebtedness, the company has outstanding 17,318,042 common shares.

MARRIOTT FILES FOR OFFERING AND SECONDARY. Marriott Corporation, 5161 River Rd., Washington, D. C. 20016, filed a registration statement (File 2-38604) with the SEC on October 16 seeking registration of 1,000,000 shares of common stock, of which 900,000 are to be offered for public sale by the company and 100,000 (being outstanding shares) by the holders thereof. The offering is to be made through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., and Lehman Brothers, 1 William St., both of New York. The offering price (\$30 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in a wide range of food service and lodging businesses including hotels, airline catering, restaurants, institutional feeding and franchising. Of the net proceeds of its sale of additional stock, \$7,000,000 will be loaned to Marriott Financial Services, Inc. ("MFS"), a wholly-owned subsidiary, and will be used by MFS to retire an equivalent amount of bank indebtedness guaranteed by the parent, and \$12,780,000 will be applied toward the reduction of interim construction financing of the company (\$22,050,000 of commercial paper). The proceeds of all such indebtedness have been, and the balance of the proceeds of this offering will be, used for general corporate purposes, including costs involved in the expansion of hotels and other facilities and for working capital requirements. In addition to indebtedness, the company has outstanding 12,460,018 common shares, of which J. Willard Marriott, Jr., and family members own 29.6%. He proposes to sell 40,000 of 827,852 shares held, Richard E. Marriott 40,000 of 792,211, Russell S. Marriott 15,000 of 236,478 and Woodrow D. Marriott 5,000 of 204,662.

NEW ENGLAND POWER PROPOSES OFFERING. New England Power Company, 20 Turnpike Road, Westboro, Mass. 01581, filed a registration statement (File 2-38605) with the SEC on October 16 seeking registration of \$20,000,000 of first mortgage bonds, Series Q, and 150,000 shares of cumulative preferred stock (\$100 par), to be offered for public sale at competitive bidding. A Westboro, Mass., subsidiary of New England Electric System ("NEES"), the company will apply the net proceeds of this offering, together with \$4,999,995 proceeds from a common stock issue to be sold by the company to NEES, to the payment of short-term notes payable (expected to total \$58,700,000 at the time of the offering) evidencing borrowings made to pay for capitalizable expenditures or to reimburse its treasury therefor. Construction expenditures are estimated at \$58,600,000 for 1970.

GULF OIL TO SELL DEBENTURES. Gulf Oil Corporation, Gulf Bldg., Pittsburgh, Pa. 15230, filed a registration statement (File 2-38606) with the SEC on October 16 seeking registration of 200,000,000 of debentures, due 1995, to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York 10005. The interest rate, offering price and underwriting terms are to be supplied by amendment.

The company is engaged primarily in the production, purchase, transportation, refining and marketing of crude petroleum and natural gas products derived therefrom and in related businesses. Net proceeds of its debenture sale will be added to general funds and used for capital and exploratory expenditures and for working capital requirements. In addition to indebtedness, the company has outstanding 211,883,061 capital shares. E. D. Brockett is board chairman and chief executive officer and B. R. Dorsey president.

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:

C S I Computer Systems Incorporated, Florence, Ky. 41042 (File 2-38589) - 50,000 shares

The Lamson & Sessions Co., Cleveland, Ohio 44113 (File 2-38590) - 60,000 shares

LFE Corporation, Waltham, Mass. 02154 (File 2-38591) - 59,850 shares of common and 5,955 shares of Series A convertible preferred stock

Oakite Products, Inc., Berkeley Heights, N. J. 07922 (File 2-38595) - 60,000 shares

Avco Corporation, Greenwich, Conn. 06830 (File 2-38597) - 605,756 shares

Baystate Corporation, Boston, Mass. 02110 (File 2-38598) - 200,000 shares

Bobbie Brooks Incorporation, Cleveland, Ohio 44114 (File 2-38610) - 150,000 shares and (File 2-38611) - 100,000 shares

United Nuclear Corporation, Elmsford, N. Y. 10523 (File 2-38612) - 200,000 shares

SECURITIES ACT REGISTRATIONS. Effective October 16: Arctic Enterprises, Inc., 2-38335; New England Gas and Electric Assoc., 2-38372; Northeast Utilities, 2-38337; Siliconix, Inc., 2-38579.

*As estimated for purposes of computing the registration fee.