

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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SEC

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COLUMBIA GAS RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15706) authorizing Columbia Gas of Kentucky, Inc. (Kentucky), a gas-utility subsidiary of The Columbia Gas System, Inc., to acquire the assets and liabilities of Limestone Gas Co., a nonassociate gas-utility company, in exchange for common stock of Columbia. According to the application, Kentucky will acquire the assets of Limestone in exchange for 37,000 shares of common stock of Columbia, subject to adjustment, and such additional number of common shares of Columbia as, at the fair market value on the closing date (currently selling about \$27 per share on the New York Stock Exchange), shall equal the redemption price (\$10.50 per share) of the Limestone preferred stock held by persons who elect to exchange their preferred shares for common stock of Columbia, plus accumulated dividends thereon to the date of closing. A total of 1,500 shares of preferred stock is outstanding, and preferred stockholders of Limestone not desiring to participate in the exchange offer will have their shares redeemed by Limestone out of its assets. To enable Kentucky to make the proposed acquisition, Columbia will deliver the requisite number of shares of its common stock to Kentucky in exchange for common stock of Kentucky in an aggregate par amount equal to the book value of the net assets of Limestone to be acquired.

GPU RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15707) authorizing General Public Utilities Corporation, New York, to make aggregate cash contributions of \$33,500,000 to three of its subsidiaries during 1967, as follows: \$14,000,000 to Jersey Central Power & Light Co., \$8,000,000 to Metropolitan Edison Co., and \$11,500,000 to Pennsylvania Electric Co. The subsidiaries will use the funds to finance their public-utility business, including the construction of additional facilities.

GPU RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15708) authorizing General Public Utilities Corporation, New York, to sell notes to banks from time to time during year ending April 10, 1968, in the aggregate amount of \$25,000,000. The proceeds of the note sale, together with cash available from current operations, will be used by GPU (1) to make additional investments in its subsidiaries, including capital contributions aggregating a maximum of \$33,500,000, or to reimburse its treasury for such additional investments made therefrom, or (2) to pay certain outstanding notes.

JERVIS FILES FOR OFFERING AND SECONDARY. Jervis Corporation, 325 Duffy Ave., Hicksville, L. I., N. Y. 11802, filed a registration statement (File 2-26304) with the SEC on April 6 seeking registration of \$4,000,000 of convertible subordinated debentures, due 1982, and 25,000 outstanding shares of common stock. The securities are to be offered for public sale through underwriters headed by McDonnell & Co. Inc., 120 Broadway, New York. The interest rate on the debentures, public offering price (\$30 per share maximum*) and underwriting terms are to be supplied by amendment.

The company manufactures and sells automotive parts and jet aircraft components and other products for aircraft. Of the net proceeds of its debenture sale, approximately \$1,000,000 will be used to finance in part the acquisition of substantially all of the assets of Harman-Kardon, Inc., a manufacturer of home music reproducing equipment, and \$2,750,000 will be used to reduce some \$3,350,000 of short-term bank loans. In addition to indebtedness, the company has outstanding 744,129 common shares, of which management officials own 15.2% and Miltod Corp. 40.8%. Allan Gittleston, chairman of the company, owns 38.3% of the outstanding capital stock of Miltod, and associates and members of his immediate family own an additional 44.7%. The selling stockholder is Sidney Harman (president), who proposes to offer 25,000 of 75,232 shares held.

NORTHERN NATURAL GAS PROPOSES OFFERING. Northern Natural Gas Company, 2223 Dodge St., Omaha, Nebr. 68102, filed a registration statement (File 2-26305) with the SEC on April 6 seeking registration of \$50,000,000 of sinking fund debentures, due 1987. The debentures are to be offered for public sale through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the transmission, distribution and sale of natural gas. Net proceeds of its debenture sale will be used in connection with its construction program. The company's expansion and construction programs for 1967 are estimated at \$149,000,000.

BROWN & SHARPE FILES FOR SECONDARY. Brown & Sharpe Manufacturing Company, P. O. Box 456, North Kingstown, R. I. 02852, filed a registration statement (File 2-26307) with the SEC on April 6 seeking registration of 166,667 outstanding shares of common stock. The present holders thereof propose to offer the stock for public sale through underwriters headed by Lehman Brothers, One William St., New York 10004, and Brown, Lisle & Marshall Inc., 201 Turks Head Bldg., Providence, R. I. 02903. The public offering price (\$60 per share maximum*) and underwriting terms are to be supplied by amendment.

The company manufactures machine tools, machinists' precision measuring instruments, cutting tools, hydraulic valves and pumps. In addition to indebtedness, it has outstanding 1,222,214 common shares, which reflect a proposed conversion into 222,214 shares of capital stock of the company's \$8,000,000 6 $\frac{1}{2}$ % convertible subordinated notes called for prepayment on May 1, 1967. Management officials own 109,170

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of the outstanding shares. Henry D. Sharpe, Jr., is president. The prospectus states that each selling stockholder is selling all of the shares which it will acquire upon conversion of said notes. (The identity and amount of shares to be offered by such stockholders are to be supplied by amendment.)

McGraw-Hill Files for Secondary. McGraw-Hill, Inc., 330 W. 42nd St., New York 10036, filed a registration statement (File 2-26311) with the SEC on April 6 seeking registration of 56,077 outstanding common shares. Such shares represent part of the consideration (211,357 shares) paid for all of the outstanding stock of Educational Developmental Laboratories, Inc., in September 1966. The present holders of the 56,077 shares may offer the stock, in whole or in part, from time to time on the New York Stock Exchange at prices current at the time of sale (\$98 per share maximum*).

The company is engaged in the publishing business. In addition to indebtedness and preferred stock, it has outstanding 9,969,820 common shares, of which management officials own 33.20%. Subject to stockholder approval of an increase in the authorized common shares from 12,600,000 to 30,000,000 common shares, the company proposes to sell \$35,000,000 of convertible subordinated debentures through underwriters (see SEC News Digest of March 23). Shelton Fisher is president and Donald C. McGraw is board chairman.

Investors Syndicate of America Receives Order. The SEC has issued an exemption order under the Investment Company Act (Release IC-4909) with respect to certain transactions by and between Investors Syndicate of America, Inc. (ISA), and its subsidiary, Investors Syndicate Credit Corporation (ISCC), both of Minneapolis, Minn. ISA is a wholly-owned subsidiary of Investors Diversified Services, Inc. (IDS), a registered face-amount certificate company. ISCC engages principally in the business of acquiring property improvement loans and sells such loans at cost to ISA and services them for ISA. In addition, ISCC repurchases such loans from ISA upon the occurrence of certain events specified in the application. ISA intends to transfer its entire holdings of ISCC capital stock to IDS; both ISCC and ISA would then be wholly-owned subsidiaries of IDS and, by reason of such common control, affiliated persons of each other.

Delaware Fund, et al Hearing Postponed. On request of the respondents, the SEC has postponed from April 11 to April 27, the hearing in administrative proceedings involving (a) registration statements under the Securities Act of 1933 filed by Delaware Fund, Inc., and Decatur Income Fund, Inc., both of Philadelphia; (b) Delaware Management Company, Inc., the investment adviser to and principal underwriter for shares of the two funds, also of Philadelphia, and (c) Mutual Funds Associates, Inc., a Philadelphia dealer in shares of the two funds. The postponement was requested by the respondents to allow additional time for negotiations with the Commission's staff as to a possible stipulation which might avoid the necessity of an evidentiary hearing.

Four Stock Plans Filed. Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

Vulcan Materials Company, One Office Park, Mountain Brook, Ala. (File 2-26294) (150,000 shares)
 Mountain Fuel Supply Company, 180 E. First South St., Salt Lake City, Utah 84111 (File 2-26302)
 (15,730 shares)
 Columbia Broadcasting System, Inc., 51 W. 52 St., New York 10019 (File 2-26308) (320,000 shares)
 Royal Crown Cola Co., 1000 Ninth Ave., Columbus, Ga. 31902 (File 2-26309) (221,000 shares)
 Cities Service Company, Sixty Wall St., New York 10005 (File 2-26310) (275,000 shares)
 Teledyne, Inc., 12525 Daphne Ave., Hawthorne, Calif. 90250 (File 2-26314) (30,000 shares)
 Hercules Incorporated, 910 Market St., Wilmington, Del. 19899 (File 2-26316) (850,000 shares)
 Heublein, Inc., 330 New Park Ave., Hartford, Conn. 06101 (File 2-26320) (756,805 shares)
 Revlon, Inc., 666 Fifth Ave., New York 10019 (File 2-26321) (591,691 shares)
 Clevite Corporation, 17000 St. Clair Ave., Cleveland, Ohio 44110 (File 2-26322) (150,000 shares)

Securities Act Registration Statements. During the week ended April 6, 1967, 68 registration statements were filed, 49 became effective, 1 was withdrawn, and 459 were pending at the week-end.

Securities Act Registrations. Effective April 7: Air Products and Chemicals, Inc., 2-26037; Allison Steel Manufacturing Co., 2-26105 (40 days); Management Assistance, Inc., 2-25537; McCulloch Oil Management Co. of Calif., Inc., 2-25923 (90 days); Rosemount Engineering Co., 2-26050.

Note to Dealers. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.