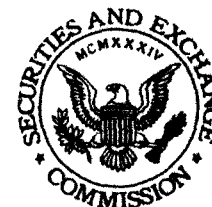


NEWS DIGEST

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

(In ordering full text of Releases from Publications Unit, cite number)



Washington 25, D.C.

FOR RELEASE May 14, 1959**SUMMARY OF SEC ADVISORY REPORTS FILED**

The Securities and Exchange Commission has prepared and filed with the United States District Court for the Western District of Oklahoma, in the proceedings pursuant to Chapter X of the Bankruptcy Act for the reorganization of Selected Investments Trust Fund and Selected Investments Corporation, a Summary of the Commission's advisory report dated April 23, 1959 (Release 118) upon the Amended Plan of Reorganization filed by the Wirt Franklin Investors Committee, and of its Supplemental Advisory Report dated May 8, 1959 (Release 120) upon the Second Amended Plan of Reorganization filed by the Committee.

In its initial report, the Commission concluded that the Amended Plan was feasible and that it could be made fair and equitable to certificate holder creditors if amended in certain particulars. In the Supplemental Report, the Commission concluded that upon certain assumptions the Second Amended Plan of Reorganization was fair and equitable to such creditors and was also feasible. The Summary of the two reports was prepared for distribution by the Trustee to the creditors if the Court approves the Second Amended Plan and submits it to creditors for approval.

Copies of the summary (Release CR-121) may be obtained upon request.

PLAN TO ELIMINATE MINORITY INTERESTS FROM NEES SYSTEM APPROVED

The Securities and Exchange Commission today announced approval of a plan filed under Section 11(e) of the Public Utility Holding Company Act of 1935 by New England Electric System ("NEES"), a public utility holding company with headquarters in Boston, Mass., proposing the elimination of the publicly-held minority common stocks in five of its electric utility subsidiaries. The five subsidiaries, all located and doing business in Massachusetts, are Merrimack-Essex Electric Company, Southern Berkshire Power & Electric Company, Suburban Electric Company, Weymouth Light and Power Company, and Worcester County Electric Company. The plan, which was found by the Commission to be necessary to effectuate compliance with the Holding Company Act, and fair and equitable to the affected security holders, provides for the exchange, within a five-year period, of the publicly-held minority common stocks of the subsidiaries for common shares of NEES in the following ratios: for each of the publicly held 286,987 shares of Merrimack-Essex, 1.5 shares of NEES common; for each of the publicly held 153 shares of Southern Berkshire, 3.4 shares of NEES; for each of the publicly held 2,198 shares of Suburban Electric, 5.5 shares of NEES; for each of the publicly held 288 shares of Weymouth, 2.8 shares of NEES; and for each of the publicly held 3,941 shares of Worcester, 4.2 shares of NEES. A total of 460,448 shares of NEES will be required to effect the exchanges. NEES' common shares are listed on the New York Stock Exchange.

At the request of NEES, application will be made by the Commission to the District Court of the United States for the District of Massachusetts, in Boston, for an order approving and enforcing the plan.

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COLUMBIA GAS FILES SYSTEM FINANCING PROPOSAL

The Columbia Gas System, Inc., New York holding company, has joined with thirteen of its subsidiaries in the filing of a System Financing proposal; and the Commission has issued an order under the Holding Company Act (Release 35-14003) giving interested persons until May 28, 1959, to request a hearing thereon.

The subsidiary companies of Columbia plan to finance a part of their construction budgets for 1959, estimated at \$123,000,000, with funds available from internal sources. To provide a portion of the new money requirements needed for such purposes, estimated at \$74,548,970, Columbia proposes to use its present cash resources, including the proceeds from a recent sale of common stock. Later in 1959 Columbia plans to issue and sell senior debentures to finance the balance of the construction budgets, to pay short-term notes incurred to finance property additions and improvements by the subsidiary companies, and for other corporate purposes.

To provide funds to six of the subsidiaries for inventory gas storage purposes, Columbia proposes to make bank borrowings of not exceeding \$55,000,000, the proceeds of which will be advanced on open account to the six subsidiaries. To provide new money for construction during 1959, the thirteen subsidiaries propose to issue \$19,773,970 of stock and \$54,775,000 of notes to Columbia.

MEDEARIS INDUSTRIES PROPOSES STOCK OFFERING

Medearis Industries, Inc., 42 Broadway, New York, today filed a registration statement (File 2-15107) with the SEC seeking registration of 200,000 shares of Common Stock, to be offered for public sale at \$3.75 per share through Amos Treat & Co., Inc. The underwriter has a commitment to purchase 67,000 shares at \$3.20 per share and to use its best efforts to sell the remaining 133,000 shares at a commission of 55¢ per share. The underwriter also will receive \$8,500 for expenses; and Mark Selko, one of the company's promoters, has sold 40,000 shares to the underwriter at \$.001 per share. A finder's fee of \$37,500 is to be paid to James G. Fuller out of 2½% of gross sales of the operating companies.

Medearis Industries was organized under Delaware law on February 10, 1959, for the purpose of acquiring, financing, developing and operating manufacturing and service enterprises. It holds contracts to acquire three concerns: Medearis Oilwell Supply Corp., Caldata Corp. (both California companies), and Space Products, a proprietorship. All of these enterprises are based in Los Angeles County. The contracts require the payment of cash to the sellers, about 65% of which is payable over a ten-year period out of 25% of the net profits of two of the companies being acquired. The other 35% will be paid out of the proceeds of this offering.

The promoters, Mark Selko and Arthur B. Hogan, both of Los Angeles, are said to have received 160,000 shares of stock of Medearis Industries without cost to themselves in consideration for which they assigned the purchase contracts to the company, advanced it \$21,000 in cash as a temporary loan, and expended some \$5,000 in addition to their time and efforts in negotiating the purchase contracts and promoting the venture.

Medearis Oilwell is known as a "specialty house" in the field of oilwell equipment. Hogan contracted to purchase its outstanding stock from Paul A. Medearis for \$380,000. Caldata is a new venture, organized as a service organization which proposes to operate through the use of IBM tabulating machines and a staff skilled in engineering print analysis, cataloging and item identification pursuant to military specifications. Selko obtained an option to purchase 80% of its stock for \$45,000 from the owners, Herbert G. Price, Anthony E. O'Carroll and Philip K. Horrigan. Space Products, a proprietorship, whose plant is located in Long Beach, is engaged in the business of manufacturing a standard line of printed circuit connectors, transformer bobbins and plastic slides and holders for printed circuit cards. Selko obtained a contract to purchase its business and assets for \$300,000 from Russell Rubley.

According to the prospectus, Mark Selko owns 57,000 shares (35.6%), Amos Treat & Co., Inc., 40,000 (25%), and the officers and directors 35,000 (22%) of the outstanding stock of Medearis Industries. The prospectus also includes the 40,000 shares held by Amos Treat & Co., Inc., plus 15,000 shares held by six other stockholders, which may be offered after completion or termination of the company's stock offering. The prospectus lists Paul A. Medearis as president.

NATIONAL STEEL FILES EMPLOYEE STOCK PLAN

National Steel Corporation, Pittsburgh, filed a registration statement (File 2-15108) with the SEC on May 13, 1959, seeking registration of 49,000 shares of its Capital Stock, to be offered under National's Stock Investment Plan for Salaried Employees of National and eight of its subsidiaries.

KALTMAN & CO. STOCK TO BE OFFERED TO NOMA LITES STOCKHOLDERS

D. Kaltman & Co., Inc., 126 Webster Ave., Jersey City, N. J., filed a registration statement (File 2-15109) with the SEC on May 13, 1959, seeking registration of 1,406,141 shares of common stock. Noma Lites, Inc., proposes to offer the holders of its 745,184 outstanding common shares the right to purchase the Kaltman stock owned by Noma, at the rate of 1.9 shares of Kaltman common for each share of Noma common. The record date is to be the effective date of the registration statement. The subscription price and underwriting terms are to be supplied by amendment. Bear, Stearns & Co. is the principal underwriter.

Kaltman is a wholesale drug company. It has outstanding 1,632,513 common shares (in addition to other securities), of which Noma owns 1,406,141 shares, or 86%.

WILL ROSS INC. FILES FOR SECONDARY

Will Ross, Inc., 4285 North Port Washington Rd., Milwaukee, filed a registration statement (File 2-15110) with the SEC on May 13, 1959, seeking registration of 88,512 shares of Common Stock. These shares are presently outstanding and are to be offered for public sale by the holders thereof, the company to receive no part of the proceeds. Blunt Ellis & Simmons is listed as the principal underwriter; and the public offering price and underwriting terms are to be supplied by amendment.

The company is a domestic distributor of hospital supplies, equipment and furnishings. It has outstanding 282,016 common shares, of which the nine selling stockholders hold an aggregate of 201,712. The largest blocks are being sold by C. E. Pain, Jr., president, 17,432 of 57,432 shares held; the Marine National Exchange Bank of Milwaukee and C. E. Pain, Jr., Trustees under the will of William M. Ross, deceased, 46,968 of 49,368; and Jeannette W. McKelvey, 8,392 of 28,392.

SOUNDCRIBER CORP. FILES RIGHTS OFFERING PROPOSAL

The Soundcriber Corporation, 6 Middletown Ave., North Haven, Conn., filed a registration statement (File 2-15111) with the SEC on May 13, 1959, seeking registration of 126,254 shares of common stock. The company proposes to offer this stock for subscription at \$14 per share by holders of outstanding common stock at the rate of one new share for each three shares held. No underwriting is involved. The record date is to be supplied by amendment.

Soundcriber and its subsidiaries manufacture, sell and service electronic dictating, recording and transcribing equipment, accessories and parts. Of the net proceeds of the sale of its stock, about \$600,000 will be applied for costs incurred and to be incurred in connection with the introduction of a new line of office dictating equipment, expected to be introduced prior to the end of 1959; \$162,500 plus interest in payment of installment notes; \$275,000 plus interest in payment of a bank indebtedness; \$500,000 plus interest in payment of notes payable to Atwell & Co.; and the balance, if any, for general corporate purposes.

HEARING ORDERED ON CARADEAN & CO. REGISTRATION APPLICATION

The Securities and Exchange Commission has ordered a hearing under the Securities Exchange Act of 1934 to determine whether an application for broker-dealer registration filed by A. J. Caradean & Co., Inc., 155A North Franklin St., Hempstead, N. Y., should be denied.

Caradean & Co. has consented to the postponement of the effective date of registration until June 15, 1959; and the Commission has scheduled an initial hearing for June 2, 1959, on the question whether the effective date of registration should be further postponed pending hearing and Commission decision on the ultimate question of denial of registration. The hearing is to be held in the Commission's New York Regional Office.

The Caradean & Co. application for registration, filed March 13, 1959, lists Jerome H. Truen as president and Jack Cohen (also known as Jack Curtis) as secretary; and each owns 50% of the company's

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outstanding common stock.

According to the Commission's order, information developed in an investigation conducted by Commission's staff tends, if true, to show that during the period September 1957 to March 1959, Truen and Cohen, while employed as salesmen for N. Pinsker & Co., Inc., offered and sold Class B stock of Tyrex Drug & Chemical Corporation by means of false and misleading representations of material facts and "engaged in acts, practices and a course of business which would and did operate as a fraud and deceit" upon the purchasers of such stock. The misrepresentations related, among other things, to the purchase of such stock by insiders, proposed advertising campaigns in newspapers and magazines, increase in the price of the stock, present and proposed products of Tyrex and the business potential of Tyrex.

(Proceedings also are pending on the question whether to revoke the broker-dealer registration of N. Pinsker & Co., Inc., 156 North Franklin St., Hempstead, N. Y., the hearing being scheduled for May 20, 1959, in the Commission's New York Regional Office.)

CHESTER KOZA HEARING POSTPONED

The Securities and Exchange Commission has ordered a postponement from May 18 to May 21, 1959, of the hearing in the proceedings under the Securities Exchange Act of 1934 to determine whether an application for broker-dealer registration filed by Chester Richard Koza, doing business as Chester R. Koza & Co., 120 East Market Street, Indianapolis, should be denied. The hearing is to be held in the Commission's Chicago Regional Office.

At the same time, the Commission amended its original order for hearing (Release 34-5944) to include as an additional issue the question whether Koza engaged in the securities business from January 1958 to April 1959 in violation of the broker-dealer registration requirements of the Act. The original order for proceedings was based upon a April 1958 Federal court decree enjoining Koza from engaging in or continuing certain conduct or practices in connection with the purchase or sale of securities, the Commission's complaint in that action charging violation of the Securities Act registration requirements in the sale of stock of Farm and Home Agency, Inc.

ALBERT & CO. HEARING SCHEDULED

The Securities and Exchange Commission has scheduled a hearing for June 1, 1959, in its New York Regional Office in the proceedings under the Securities Exchange Act of 1934 to determine whether to revoke the broker-dealer registrations of Albert & Company, Inc. (NY), 194 Broadway, New York, N. Y., and Albert & Company, Inc. (NJ), 1 Exchange Place, Jersey City, N. J.

Proceedings on the question of revocation were instituted by Commission order dated January 8, 1959 (Release 34-5853). The order charged, among other things, that the two corporations and Eli D. Albert, president, treasurer, and largest stockholder of each made false and misleading representations of material facts in the offer and sale of common stock of Vari-Pac Corporation which operated as a "fraud and deceit" upon the purchasers.

At the hearing, inquiry will be conducted into the facts with respect to these and other issues involved in the proceedings for the purpose of determining whether the Federal Securities Laws were violated and, if so, whether it is in the public interest to revoke the broker-dealer registrations of the two corporations.

FRENCH & CO. HEARING POSTPONED

The Securities and Exchange Commission has ordered the postponement from May 14 to June 16, 1959, of the hearing in the proceedings under the Securities Exchange Act of 1934 to determine whether an application for broker-dealer registration filed by R. D. French & Co., 625 Bank of the Southwest Building, Houston, Texas, should be denied.

Postponement of the hearing, to be held in the Commission's Houston Branch Office, follows filing of a consent by French & Co. to postponement of the effective date of its registration pending final determination on the question of denial of registration.