

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.

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

FOR RELEASE April 10, 1961

Statistical Release No. 1745. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended April 7, 1961, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1961 is as follows:

	1957-59 - 100		Percent Change	1961	
	4/7/61	3/31/61		High	Low
Composite	133.1*	131.3	+1.4	133.1	118.3
Manufacturing	125.7*	124.6	+0.9	125.7	113.0
Durable Goods	128.5	128.2	+0.2	129.6	117.0
Non-Durable Goods	123.3*	121.3	+1.6	123.3	109.2
Transportation	104.6	105.5	-0.9	106.6	97.8
Utility	169.8*	164.4	+3.3	169.8	144.4
Trade, Finance & Service	149.9*	148.6	+0.9	149.9	132.5
Mining	94.5*	90.2	+4.8	94.5	83.3

*New High

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended April 6, 1961, 19 registration statements were filed, 25 became effective, 1 was withdrawn, and 467 were pending at the week end.

ROULETTE RECORDS HEARING SCHEDULED. The SEC, on request of Roulette Records, Inc., 1631 Broadway, New York, has scheduled a hearing for April 25, 1961, in its Washington office on the question whether to vacate, or make permanent, the March 8th order of the Commission temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by Roulette Records. Under a notification filed in August 1960, Roulette Records proposed the public offering of 100,000 common shares at \$3 per share. The Commission's suspension order asserted that its offering circular was false and misleading in respect of certain material facts.

GLAMOUR VENDING HEARING SCHEDULED. The Commission, on request of Glamour Vending Corporation, 1212 Tower Bldg., Denver, also has scheduled a hearing for May 2, 1961, in its Denver Regional Office, on the question whether to vacate, or make permanent, an order issued March 9th temporarily suspending a Regulation A exemption from registration with respect to a public offering of stock by Glamour Vending. The offering involved 140,000 common shares at \$2 per share pursuant to a notification filed in November 1960. The suspension order asserted that the company's offering circular was false and misleading in certain material requests.

SPIRIT MOUNTAIN CAVERNS HEARING SCHEDULED. The Commission also has scheduled a hearing for April 26, 1961, in its Denver Regional Office, on request of Spirit Mountain Caverns, Inc., Cody, Wyo., on the question whether to vacate, or make permanent, a Commission order of March 2d temporarily suspending a Regulation A exemption with respect to the public offering by that company of 225,000 shares of Class A preferred stock at \$1 per share pursuant to a notification filed in September 1958. The suspension order asserted that the company's offering circular was false and misleading by reason of its failure to disclose certain material facts.

ARKANSAS POWER FINANCING. The SEC has issued an order under the Holding Company Act (Release 35-14406) giving interested persons until May 1, 1961, to request a hearing upon the bond financing proposal of Arkansas Power & Light Company (Little Rock). As previously reported (SEC News Digest of 3/24/51), Arkansas Power proposes to offer and sell at competitive bidding \$12,000,000 of first mortgage bonds due 1991, the net proceeds to be used for property additions and improvements.

GULF POWER BONDS CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-14405) authorizing Gulf Power Company, Pensacola, Fla., to issue \$486,000 of first mortgage bonds due 1984 for sinking fund purposes.

CONTINENTAL OIL FILES FOR DEBENTURE OFFERING. Continental Oil Company, 1300 Main St., Houston, Texas, filed a registration statement (File 2-17922) on April 7, 1961, seeking registration of \$100,000,000 of debentures due 1991, to be offered for public sale through underwriters headed by Morgan Stanley & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the debenture sale will be used in part to retire the \$50,400,000 of 4½% and 5% notes now payable to banks; and the balance will be added to the company's general funds and used for its general corporate purposes, including investments in and advances to domestic and foreign subsidiary and affiliated companies and expenditures for exploration and development of oil and gas properties and for other property additions.

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BELL TELEPHONE OF PA. PROPOSES DEBENTURE OFFERING. The Bell Telephone Company of Pennsylvania, 1835 Arch St., Philadelphia, filed a registration statement (File 2-17923) with the SEC on April 7, 1961, seeking registration of \$50,000,000 of forty-year debentures due May, 2001, to be offered for public sale at competitive bidding. Net proceeds of the sale of the debentures will be used in part to repay outstanding advances from American Telephone and Telegraph Company (parent) for general corporate purposes, including property additions and improvements; and the remainder of the proceeds will be used for further construction expenditures.

EQUITY CAPITAL PROPOSES STOCK OFFERING. Equity Capital Company, 430 First Avenue North, Minneapolis, filed a registration statement (File 2-17926) with the SEC on April 7, seeking registration of 100,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Paine, Webber, Jackson & Curtis. The public offering price and underwriting terms are to be supplied by amendment. Organized in September 1960, the company is engaged in the business of buying contracts for deed and home improvement loan obligations from the holders thereof at a discount from face value (and intends to engage in purchasing real estate second mortgages on a similar basis), in making second mortgage loans directly to real estate owners, and in making short-term construction loans to builders and contractors. Net proceeds of the stock sale will be applied to reduce or retire the bank loan outstanding at the time the proceeds are paid over to the company and the balance, if any, will be used as additional working capital of the company and invested as opportunities arise. As of April 4, 1961, the obligation of the company in respect of its bank loan amounted to \$500,000.

The prospectus lists Harry J. Klein as president. The company has outstanding 170,430 common shares, of which Klein owns 34,500 shares and management officials as a group 85,100 shares (49.93%).

NORWAY FILES FOR BOND OFFERING. The Kingdom of Norway filed a registration statement (File 2-17927) with the SEC on April 7, seeking registration of \$15,000,000 of Fifteen Year External Loan Bonds of 1961, due 1976, to be offered for public sale through underwriters headed by Harriman Ripley & Co., Kuhn Loeb & Co., Lazard Freres & Co. and Smith, Barney & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the sale of the bonds will, in the first instance, be added to Norway's foreign exchange reserves. It is the present intention of the Kingdom that the net proceeds from the sale of the bonds will be applied to the acquisition and importation of capital equipment required for the development of the Norwegian economy. No specific allocation of the proceeds of the Bonds, or the Norwegian kroner equivalent thereof, has been made at this date.

NORTHERN NATURAL GAS FILES STOCK PLAN. Northern Natural Gas Company, 2223 Dodge St., Omaha, filed a registration statement (File 2-17929) with the SEC on April 6, seeking registration of 500,000 shares of common stock, to be offered pursuant to the company's Employees' Stock Purchase Plan, Payroll Savings-Stock Purchase Plan, and Stock Option Plan.

WASHINGTON NATIONAL INSURANCE FILES PENSION FUND PLAN. Washington National Insurance Company, 1630 Chicago Ave., Evanston, Ill., filed a registration statement (File 2-17930) with the SEC on April 5th seeking registration of \$1,100,000 of Participations in its Savings and Profit Sharing Pension Fund for company employees.

AUTOMATED PROCEDURES FILES FOR OFFERING. Automated Procedures Corp., 71 West 23rd Street, New York, filed a registration statement (File 2-17924) with the SEC on April 7, 1961, seeking registration of 110,000 shares of Class A stock, to be offered for public sale at \$3 per share. The offering will be made on a best efforts basis through Jay W. Kaufmann & Co., which will receive a 45¢ per share selling commission. The registration statement also includes 22,000 outstanding Class A shares which were sold to the underwriter by stockholders at 1¢ per share, which shares may be sold by the underwriter after the offering of new shares is completed. In addition, the company has agreed to sell the underwriter 22,000 5-year warrants to purchase a like amount of common shares at from \$4 to \$5 per share.

The company (formerly Clinton Tabulating Corp.) was organized in 1952 and remained inactive until January 1960 when it commenced its present business. It is a service bureau offering customized data processing service which involves the breaking up of complex accounting operations into simple tasks performable by its machines. The \$269,000 net proceeds from the stock sale will be used to purchase additional machinery and equipment, new or used, as required.

In addition to certain indebtedness, the company has outstanding the 22,000 shares of Class A stock owned by the underwriter, 153,000 shares of Class B stock and 25,000 warrants. Calvin J. Kohler, president, Abraham Scheintaub, secretary and treasurer, and Fred S. Kohler, vice president, own 33-1/3% each of the Class B stock and warrants. All of the outstanding Class A and Class B stock was originally purchased by the three officers from the company for \$10,000 in cash. The book value of outstanding shares is about 12¢ per share.

FORM PROPOSED FOR REAL ESTATE TRUST SHARES. The SEC has invited public comments on a proposed new form (Form S-11) for use in Securities Act registrations of securities issued by real estate investment trusts, as defined in the recent amendments to the Internal Revenue Code. The proposed form would also be available for use by real estate syndicates, partnerships, joint ventures and other incorporated or unincorporated issuers whose business is primarily that of acquiring and holding real estate or interests in real estate for the purpose of investment. It is designed to require appropriate disclosure with respect, among other things, to the policies, activities and investments of registrants using the form. Interested persons are asked to submit their comments on or before May 8, 1961 (Release 33-4347).

NEW ERA MINING FILES FOR OFFERING. New Era Mining Company, 9635 West Colfax Avenue, Denver, filed a registration statement (File 2-17925) with the SEC on April 6, seeking registration of 1,000,000 shares of 25¢ par common stock, to be offered for public sale at 50¢ per share. No underwriting is involved.

The company was organized in 1954 and maintains a business and transfer office at the West Colfax Avenue address. It has not had any earnings to date. It proposes to commence operations on its property known as the "Gold Placer Properties," which are two gold placer claims situated in the Black Hills of South Dakota and which were acquired from the Era Mining Company in 1954 in exchange for 461,600 shares of \$1 par common stock (the equivalent of 1,846,400 shares of 25¢ par stock now outstanding). The company also acquired Belle Eldridge Mines located in the Black Hills for \$10,000, but does not contemplate any immediate development of such properties. Of the net proceeds from the stock sale, about \$9,000 will be used to pay certain debts, \$170,000 to equip the placer property, \$50,000 for working capital for the placer operation, and about \$163,000 for reserves for general funds not specifically allocated.

The company has outstanding 1,943,370 shares of common stock, of which Earl R. Amundson, president, owns 54.9%, and Russell W. Bartels, secretary-treasurer 14.5%. If this offering is completely sold, Amundson will own 36.2% of the outstanding stock at a cost of \$67,730, Bartels 9.6% at a cost of \$600, the purchasers of this offering 33.9% at a cost of \$500,000 and the remaining stockholders 20.3% at a cost of \$91,137.

CHOCK FULL O'NUTS PROPOSES DEBENTURE OFFERING. Chock Full O'Nuts Corporation, 425 Lexington Avenue, New York, filed a registration statement (File 2-17931) with the SEC on April 7, seeking registration of \$7,500,000 of subordinated debentures due May 1, 1981 (convertible on or before May 1, 1971), to be offered for public sale through a group of underwriters headed by F. Eberstadt & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company operates a chain of 34 counter-service restaurants located principally in New York City, and another is to be added later this year. Its other principal activity is the manufacture and sale of Chock Full O'Nuts brand of coffee which is distributed in the New York metropolitan area and in other areas in the eastern and the north-central sections of the United States and in Ontario, Canada. The company has recently entered the instant coffee business and is building a plant to manufacture, freeze and package frozen whole wheat doughnuts. The net proceeds from the debenture sale will be added to general funds and will be used for general corporate purposes, including the current expansion program. The cost of the major capital items of the program include \$1,500,000 for construction of a frozen doughnut plant, \$1,400,000 for acquisition and development of properties for additional restaurants, \$500,000 for capital improvements to and expansion of existing restaurants and \$600,000 for construction of highway restaurants. It is also contemplated that a portion of the proceeds will be allocated to working capital in connection with the expansion and development of new marketing areas for the sale of regular and instant coffees and frozen doughnuts.

The company has outstanding 3,447,450 shares of common stock, of which William Black, president, owns 17% and management officials as a group 28%.

INDICTMENT NAMES LESLIE F. EMIGH. The SEC San Francisco Regional Office announced March 7th (LR-1975) the return of a Federal indictment (USDC, Sioux Falls, S. Dak.) charging Leslie F. Emigh, former resident of Rapid City, S. Dak., with fraudulent representations and violations of the Securities Act registration requirement in the offer and sale of stock of Uranium and Federated Minerals Company and Uranium and Federated Minerals, Inc.

CANADIAN RESTRICTED LIST. The SEC has added Kuskokwim Grubstake, Mid-Nation Developments Ltd., and Primary Gold Mines Ltd., to its Canadian Restricted List (Release 33-4249), which now comprises the names of 253 Canadian companies whose securities recently have been or currently are being distributed in the United States in violation of the registration requirements of the Securities Act of 1933, thus depriving investors of the financial and other information essential to an informed and realistic evaluation of the worth of the securities which registration would provide.

CORRECTION. The proposed purchase by Drexel Equity Fund, Inc., Philadelphia investment company, of common stock of American District Telegraph Co. owned by Drexel & Co., referred to in the SEC News Digest of April 4th, involves 340 shares (at \$84.74 per share), not 340,000 shares.

SECURITIES ACT REGISTRATIONS. Effective April 10: Shadyside Gardens Limited Partnership (File 2-17493); Annandale Terrace Limited Partnership (File 2-17560); International Life Insurance Company of Buffalo (File 2-17622); New England Telephone and Telegraph Company (File 2-17767).

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