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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PROCEDURAL RULE AMENDED. The SEC has amended its Rule 472 under the Securities Act of 1933 to facilitate the examination by its staff of amendments to registration statements. The amended rule requires that every amendment to a registration statement shall be accompanied by two additional copies of the amendment marked to indicate clearly and precisely the changes effected in the registration statement by the amendment. If the amendment alters the text of the prospectus or other material previously filed as a part of the registration statement, the changes must be indicated by underscoring or in some other appropriate manner. The purpose of the amendment is to avoid the necessity for the staff, in reviewing the amendment, to reread the entire prospectus or other document where only a portion of the material has been altered. The amendment to the rule is in line with the present administrative practice of requesting registrants to indicate the changes effected by amendments to registration statements.

MIDLAND SECURITIES REGISTRATION REVOKED. The SEC today announced a decision (Release 34-6524) revoking the broker-dealer registration of Midland Securities, Inc., 30 Broad St., New York, for "fraudulent representations" in the offer and sale of Inland Resources Corporation stock through "high-pressure techniques in disregard of the basic standards of fair and honest dealings with customers." The company also was expelled from membership in the National Association of Securities Dealers, Inc.; and Ben Degaetano, president and principal stockholder, Joseph P. Emanuel, sales manager, and four salesmen were each found to be a cause of the revocation and expulsion order.

The Commission's unanimous decision, written by Commissioner Woodside, sustained the recommendation of its Hearing Examiner (James G. Ewell) that Midland's registration be revoked for violations of the anti-fraud provisions of the Securities Act. According to the decision, Midland's principal business during the period October 1957 to June 1959 consisted of the offer and sale of Inland stock, which it sold to some 5,000 investors throughout the United States at prices ranging from about 60¢ to $2.50 per share. The testimony of over 40 investors "reveals a pattern of high-pressure sales tactics," the Commission stated, "through extensive and repeated telephone solicitations in which similar misrepresentations were made by different salesmen to different customers. It was testified, among other things, that each of the respondent salesmen repeatedly made some or all of the following representations in the course of their telephone solicitations; that the price of the Inland stock would increase two, three, four and five times in three to six months and to $10 or $20 per share in a year or so; that the stock was listed or was about to be listed on a national securities exchange; that registrant's employees were members of such an exchange; that Inland had just brought in a "gusher" and that it had many producing wells; that it had or was about to receive government contracts; that the stock was difficult to get but if the customer acted fast, registrant could secure some; that registrant's prices to its customers were below prevailing market prices, and that registrant could give the customer a special price because a block of stock had been obtained from an estate.

In view of the operations and financial status of Inland, the Commission ruled, "none of the representations had any foundation in fact." Inland's operations for the year ended June 30, 1957, showed a net loss of $40,073; as of June 30, 1958, the surplus deficit had increased to $59,365; and, although consolidated statements for the year ended June 30, 1959, were not available, the company's United States operations alone for that year showed a net loss of $68,263 and an accumulated deficit of over $100,046. Inland's officers testified that the company had never brought in a "gusher;" there was no evidence that Inland had any government contracts; Inland never planned to list its stock; and Midland kept a large inventory of Inland stock and the market in the stock was dominated by Midland. There was no reasonable basis for predicting a rise in the price of Inland stock and, in fact, the National Quotation Sheets showed a steady decline in the market price of the stock to a low of about 25¢ per share in June 1959. The salesmen named with Degaetano and Emanuel as causes were Samuel Golden, Herbert Geist, Marvin Berkrot and Irving R. Winkler.

MIDAMERICA MUTUAL FUND SEEKS ORDER. Midamerica Mutual Fund, Inc., Cedar Rapids, Iowa, has applied to the SEC for an exemption order under the Investment Company Act permitting the sale of Fund shares to owners of certain insurance policies heretofore issued by Investors Life Insurance Company of Iowa at a price different from the public offering price of Fund shares; and the Commission has scheduled the matter for hearing on May 1, 1961.

TOLEDO PLAZA FILES FOR OFFERING. Toledo Plaza Limited Parntership, 1411 K Street, N. W., Washington, D. C., filed a registration statement (File 2-17928) with the SEC on April 7, seeking registration of $522,500 of Interests in the Partnership, to be offered for public sale in 209 units at $2,500 per unit. The offering will be made on a best efforts basis through Hodgdon & Co., Inc., which will receive a $228 per unit selling commission and three additional units if all units are sold.

The Partnership was organized under Maryland law in April 1961 and consists of Sy Bakst, Joseph Miller and Milton Weinstein as general partners and Miriam Yelsky as the initial limited partner. The business of the Partnership will consist of the acquisition, ownership, development and operation of the apartment project known as Toledo Plaza in Prince George County, Maryland, to be ready for occupancy in May 1961. The purchase contract for the apartment project was assigned to the Partnership by the general partners in exchange for

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their purchase of the following General Partner Units: Bakst, 26 units at a total cash cost of $8,520; Miller, 26 units at a total cash cost of $8,520; and Weinstein, 8 units at no cash cost. The contract provides, among other things, (1) that the sellers (Nick Basiliko, Helen Basiliko, Jerry Wolman and Anne Wolman) are to construct and to sell to the Partnership the apartment project consisting of not less than 242 units for a total purchase price of $2,675,000, (2) that $450,000 of the purchase price is payable in cash at settlement, and (3) that $1,900,000 of the purchase price is to be financed by taking the property subject to a first deed of trust, and the balance of $325,000 is to be financed by a promissory note secured by a second deed of trust. Of the $452,970 net proceeds from the sale of the units, $450,000 will be applied to the purchase price and the balance for settlement costs and miscellaneous expenses.

DI GIORGIO FRUIT FILES FOR OFFERING. Di Giorgio Fruit Corporation, 350 Sansome Street, San Francisco, filed a registration statement (File 2-17933) with the SEC on April 10, seeking registration of 275,000 shares of common stock, to be offered for public sale through underwriters headed by Dean Witter & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company's primary business consists of the growing and harvesting of citrus, grapes, pears, plums, vegetables and other crops on approximately 24,350 acres of land which it owns in California and Florida; the packing, processing and marketing of premium grade canned goods primarily under the "S and W" label; the operation of a wholesale grocery business in the San Francisco area; the production and distribution of frozen and canned citrus juices under the "TreeSweet" label; and the making and selling of wine, both in bulk, and bottled under several of its own labels. The entire net proceeds from the stock sale will be applied in reduction of the $5,500,000 balance due on a long-term note, which was incurred in the amount of $6,000,000 in 1959 for the purpose of acquiring substantially all of the common stock of S and W Fine Foods, Inc.

In addition to certain indebtedness and preferred stock, the company has outstanding 1,321,014 shares of common stock, of which J. S. DiGiorgio, president and board chairman, and P. DiGiorgio, R. DiGiorgio and C. J. Nosser, executive vice presidents, as trustees of an estate in which they have a life interest, hold 19.5%.

ENTERPRISE EQUIPMENT FILES FOR OFFERING. Enterprise Equipment, Inc., 1501 Fourth Avenue South, Seattle, filed a registration statement (File 2-17934) with the SEC on April 5, seeking registration of 12,000 shares of 6% cumulative preferred stock, $25 par, to be offered for public sale at $25 per share. No underwriting is involved.

The company was organized under Washington law in January 1961 by its parent, Arden Farms Co., for the purpose of providing a company to deal primarily in personal property, such as automobiles, trucks, refrigeration equipment, fixtures and machinery for use in fresh milk, ice cream and other dairy products processing plants and food stores, through ownership and leasing arrangements, it being contemplated that the company, having legal title to the property, will lease or sell to Arden, wholly-owned or controlled subsidiaries of Arden, or to unaffiliated third parties. Arden Farms and its subsidiaries are engaged in the business of manufacturing, buying and selling various dairy products and buying and selling other food products at wholesale and retail. According to the prospectus, no priorities have been established for use of the proceeds from the sale of stock. The funds will be held in readiness to be employed as opportunities develop and can be availed of.

The company has outstanding 100,000 shares of common stock, all of which are owned by Arden Farms; and Arden Farms has in writing subscribed for an additional 200,000 shares to be paid for on or before December 31, 1961, in cash at its par value ($1 per share), or in property of a type and kind approved by the company's board of directors having an equivalent cash value. James D. Marshall is listed as president of the company and vice president of Arden Farms.

SOUTHWESTERN CAPITAL FILES FOR OFFERING. Southwestern Capital Corporation, 1328 Garnet Avenue, San Diego, filed a registration statement (File 2-17935) with the SEC on April 4, seeking registration of 500,000 shares of common stock, to be offered for public sale at $3 per share. The offering will be made on a best efforts basis through members of the NASD, which will receive a 30¢ per share selling commission.

The company was organized under California law in September 1960. It is licensed as a small business investment company under the Small Business Investment Act of 1958 and is also registered under the Investment Company Act of 1940, as a closed-end, non-diversified management investment company. The net proceeds, estimated at $1,325,000, will be used to furnish equity capital and to make long-term loans to small business concerns and to provide advisory and management counselling services to such concerns. B. F. Coggan is listed as president and board chairman.

KOBACKER SHOE SHARES IN REGISTRATION. Kobacker Shoe Company, Inc., 998 McKee Avenue, McKees Rocks, Pa., filed a registration statement (File 2-17936) with the SEC on April 10, seeking registration of 430,346 outstanding shares of common stock, to be offered for sale at $2.25 per share by the holders thereof to certain shareholders and former shareholders of Kostin Corp. (formerly Kobacker Stores, Inc.), on the basis of one share of Kobacker Shoe for each share of Kostin held or formerly held. No underwriting is involved.

The company is principally engaged in the self-service retail shoe business. Through its wholly-owned subsidiaries, it operates 29 self-service family shoe stores under the name of "Pic-Way Self Service Shoe Marts" in 22 cities or metropolitan areas. The company was organized in 1959 as a wholly-owned subsidiary of Kobacker Stores, Inc. In September 1960, Kobacker Stores entered into an agreement with Midwest Holdings Corporation whereby Kobacker agreed to sell substantially all its assets, property and business to Midwest, including all of the outstanding common shares of the company. At the same time, Midwest agreed to sell all of the company's shares to Reiner's Inc. Arthur J. Kobacker, president of the company and a selling stockholder, was at that time a director of Kobacker Stores and he was and is president and a director of Reiner's; and he, his wife and various trusts for the benefit of his children own all of the outstanding shares of

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Reiner's. In January 1961, Kobacker Stores sold substantially all of its assets to Midwest and, as agreed upon, it sold 112,500 common shares of the company for $253,125 and Midwest immediately re-sold such shares to Reiner's for the same price. At the same time, Arthur J. Kobacker purchased from the company 337,500 authorized but unissued common shares for $759,375 in cash, making a total of 450,000 common shares issued and outstanding. Reiner's also sold substantially all of its assets, properties and business to Midwest (except the company's shares which it held) and changed its name to Alpeg Company, Inc. (the other selling stockholder). On the same day, Kobacker Stores changed its name to Kostin Corp. and thereafter changed its business to become a registered closed-end diversified management investment company. Thereafter, commencing in February 1961, pursuant to its Shareholder Withdrawal Plan, Kostin Corp. offered its shareholders the choice of continuing with that company or of withdrawing their pro-rata share of the net assets of that company pursuant to such Plan. This offer is being made to the present shareholders of Kostin Corp. and all former shareholders who have surrendered their shares under the said Plan. According to the prospectus, the offer is designed to secure for each such shareholder of Kostin Corp. the right to participate in the business and affairs of the company to the same extent, share for share, that he enjoyed when Kobacker Shoe was a subsidiary of Kobacker Stores.

In addition to certain indebtedness, the company has outstanding the 450,000 shares of common stock, of which Arthur J. Kobacker owns 337,500 shares (75%) and proposes to sell 317,846 shares, and Alpeg Company, Inc. owns 112,500 shares and proposes to sell all such shares.

NIPPON TELEGRAPH PROPOSES BOND OFFERING. Nippon Telegraph & Telephone Public Corporation, Tokyo, Japan, filed a registration statement (File 2-17937) with the SEC on April 10, seeking registration of $15,000,000 of Guaranteed Telegraph and Telephone Dollar Bonds, of which $5,000,000 will be due in 1964-65-66 and $10,000,000 in 1976. The bonds will be guaranteed as to payment of principal and interest by Japan. They will be offered for public sale through underwriters headed by Dillon, Read & Co. Inc., The First Boston Corporation and Smith, Barney & Co. The interest rate, public offering price and underwriting terms will be supplied by amendment.

The company was formed in 1952 to take over from the Government the furnishing of public telephone, telegraph and related communication services in Japan. NTT is the only company furnishing such services in Japan. It is wholly owned by the Government and control of its business and financial activities is exercised by various Governmental bodies, with principal supervision by the Minister of Posts and Telecommunications. According to the prospectus, large construction expenditures have been made by NTT since its establishment, primarily for improvement and expansion of its telephone facilities. In spite of this expansion, it has not been able to satisfy the growing demand for telephone services. On April 1, 1953, the beginning of NTT's first full fiscal year of operations, there were in operation in Japan a total of 1,550,000 subscriber lines. At that date there were 392,000 unfilled applications for subscriber lines. During the seven years of operations ended March 31, 1960, NTT received applications for 2,115,000 subscriber lines and installed 1,666,000 lines. During the fiscal year ended March 31, 1960, NTT received 476,000 new applications for subscriber lines and installed 313,000 lines. Total unfilled applications for telephone service at the end of that year amounted to 841,000 lines, more than two and one-half times the number of lines installed during the year. NTT's current five-year expansion program ending March 31, 1963, calls for the installation of 430,000 and 460,000 new subscriber lines during the next two fiscal years. Net proceeds from the sale of the new bonds will be used by NTT primarily for additions, extensions and improvements to its telephone facilities.

MARTIN CO. FILES FOR SECONDARY. The Martin Company, Baltimore, filed a registration statement (File 2-17938) with the SEC on April 10, seeking registration of 122,986 outstanding shares of common stock, to be offered for public sale by the present holders thereof on one or more of the stock exchanges (New York, Pacific Coast and Philadelphia-Baltimore) on which the stock is listed, at such times, in such amounts and at such price as the selling stockholders may from time to time determine.

According to its prospectus, the company manufactures guided missiles, associated equipment, electronic systems and nuclear products. It now has outstanding 3,105,217 common shares in addition to certain indebtedness, of which stock management officials own 260,238 shares. Of the stock being registered, 100,000 shares are owned by George M. Bunker, board chairman and chief executive officer. Bankers Trust Company of New York and Riggs National Bank of Washington, D. C., as trustees, own 8,400 and 6,300 shares, respectively; and the remaining 8,286 shares are owned by The Bunker Foundation Inc., a non-profit corporation created by George M. Bunker. After completion of the proposed stock sale, Bunker will own 44,490 shares and will hold options to purchase 42,000 additional shares.

CONSOLIDATED CIGAR PROPOSES RIGHTS OFFERING. Consolidated Cigar Corporation, 529 Fifth Ave., New York, filed a registration statement (File 2-17939) with the SEC on April 10, seeking registration of 174,523 shares of common stock. The company proposes to offer this stock for subscription by holders of outstanding common stock at the rate of one new share for each share held. The record date, subscription price and underwriting terms are to be supplied by amendment. Eastman Dillon, Union Securities & Co. is listed as the principal underwriter.

The company is engaged in the business of manufacturing and selling cigars. Net proceeds of the stock sale will be used for expansion purposes. It now has outstanding 1,361,888 common shares in addition to preferred stock and indebtedness. Management officials own 7.86% of the outstanding common. The prospectus lists Samuel J. Silberman as board chairman and Stanley S. Keyser as president.

ONE MAIDEN LANE FUND PROPOSES OFFERING. The One Maiden Lane Fund, Inc., 1 Maiden Lane, New York, filed a registration statement (File 2-17940) with the SEC on April 7, seeking registration of 300,000 shares of common stock, to be offered for public sale at $3 per share. The offering is to be made on a best efforts basis by G. F. Nicholls & Co., Inc., for which a 39¢ per share selling commission is to be paid plus $6,000 for expenses.

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The company was organized in June 1960 by George F. Nicholls, president, Herbert Sterenstein and Bernard Paige, its primary purpose being to facilitate investment in the field of convertible securities. Nicholls, the dominating factor in the organization and management of the company, is also president and principal stockholder of G. F. Nicholls & Co., Inc., which will serve as investment adviser as well as underwriter. The company now has outstanding 101,200 common shares owned by twelve stockholders, including Sterenstein and Paige.

SIERRA PACIFIC POWER FILES FINANCING PROPOSAL. Sierra Pacific Power Company, 220 South Virginia St., Reno, Nev., filed a registration statement (File 2-17941) with the SEC on April 10, 1961, seeking registration of 132,570 shares of common stock and $6,500,000 of First Mortgage Bonds due 1991. The company proposes to offer the common stock for subscription by common stockholders of record May 2, 1961, at the rate of one new share for each twelve shares then held. The subscription price is to be supplied by amendment. No underwriting is involved. The bonds are to be offered for public sale at competitive bidding. Net proceeds of the financing will be applied first to the payment of some $4,000,000 of outstanding bank loans incurred for construction purposes, and the balance will be used for the 1961 construction program, expected to involve expenditures of $9,206,400. In addition to preferred stock and indebtedness, the company now has outstanding 1,590,832 common shares, of which management officials own 3%. The prospectus lists Fred L. Fletcher as president and Frank A. Tracy as board chairman.

LET IT RIDE CO. PROPOSES OFFERING. Let It Ride Company, 147 West 57th St., New York, filed a registration statement (File 2-17942) with the SEC on April 10, seeking registration of $400,000 of Limited Partnership shares, to be offered for sale in $7,000 units. The company is a partnership organized by Joel Spector, promoter and producer, for the purpose of producing the dramatico-musical play now entitled "Let It Ride," based on the dramatic play "Three Men on a Horse" written by John Cecil Holm and George Abbott. A musical play based on "Three Men on a Horse" and entitled "Banjo Eyes" was subsequently produced. Joe Quillan and Izzy Elinson were authors of the book, John Latouch and Harold Adamson wrote the lyrics, Vernon Duke wrote the music and Eddie Cantor contributed to the book. Warner Bros. Pictures, Inc., produced a motion picture based on "Three Men on a Horse." Spector has entered into an agreement with Holm, Abbott and others under which he acquired the right to cause a dramatico-musical play to be made based upon "Three Men on a Horse" and "Banjo Eyes." He entered into a contract with Abram S. Ginnes to write the book for the musical, and with Jay Livingston and Ray Evans to write the music and lyrics. The book, music and lyrics have been completed and production is intended for September 1961. Total cost of opening a first-class production in New York, including all production expenses and the cost of out-of-town try-out is not expected to exceed $400,000.

SEC COMPLAINT NAMES TEXAS ORE LANDS, HORIZON LAND, OTHERS. The SEC San Francisco and Fort Worth Regional Offices announced April 4th (LR-1976) the filing of Federal court action (USDC, Tucson, Ariz.) seeking to enjoin further violations of the Securities Act registration requirements by Texas Ore Lands Corporation and Horizon Land Corporation (both of Tucson) in the offer and sale of fractional undivided interests in oil and gas rights under land situated in Presidio County, Texas. Also named as defendants were Joseph Timan, president, Sidney Nelson and Bret Masters.

SECURITIES ACT REGISTRATIONS. Effective April 11: United International Fund, Ltd. (File 2-17201); Presidential Realty Corporation (File 2-17540); Borman Food Stores, Inc. (File 2-17593); Brooks Instrument Company, Inc. (File 2-17602); Federal Shell Homes, Inc. (File 2-17628); City Products Corporation (File 2-17647); Max Factor & Co. (File 2-17678); Union Carbide Corporation (File 2-17777)

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