

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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NORTHWEST NATURAL GAS FILES FINANCING PROPOSAL. Northwest Natural Gas Company, 735 S. W. Morrison St., Portland, Oregon, filed a registration statement (File 2-18287) with the SEC on June 13th seeking registration of \$6,500,000 of First Mortgage Bonds due 1986 and 140,000 shares of common stock, to be offered for public sale through underwriters headed by Lehman Brothers. The interest rate on the bonds, and the public offering price and underwriting terms for both issues, are to be supplied by amendment.

Net proceeds of this financing will be used (a) to retire some \$6,500,000 of bank loans obtained for temporary financing of a part of the company's construction program and (b) to apply upon construction expenditures. Construction expenditures are estimated at \$9,070,000 for 1961, of which \$2,495,000 had been expended through April.

ADR's FOR CUSTOM CREDIT FILED. Chemical Bank New York Trust Company, 30 Broad Street, New York, filed a registration statement (File 2-18289) with the SEC on June 12th seeking registration of American Depositary Receipts for 50,000 units of ordinary stock of Custom Credit Corporation Limited (of Australia).

ELECTRONIC ENGINEERING CO. OF CALIF. FILES STOCK PLAN. Electronic Engineering Company of California, 1601 East Chestnut Avenue, Santa Ana, California, filed a registration statement (File 2-18290) with the SEC on June 13th seeking registration of 38,500 shares of common stock, to be offered to selected officers and employees pursuant to the company's Restricted Stock Option Plan.

NORTH AMERICAN COAL FILES STOCK PLAN. The North American Coal Corporation, 12800 Shaker Boulevard, Cleveland, Ohio, filed a registration statement (File 2-18291) with the SEC on June 13th seeking registration of 70,000 shares of common stock, to be offered to officers and key employees pursuant to the company's Stock Option Plan.

DATA-CONTROL SYSTEMS FILES FOR SECONDARY. Data-Control Systems, Inc., East Liberty Street, Danbury, Connecticut, filed a registration statement (File 2-18292) with the SEC on June 13th seeking registration of 74,800 shares of common stock, to be offered for public sale by the holders thereof from time to time in the over-the-counter market at prices related to the current market prices at the time of sale. The prospectus states that an additional 10,000 common shares are being or may be offered by the company pursuant to options which have been or may be granted to employees pursuant to its Employees' Stock Option Plan.

The company was organized in 1957 to undertake research and development in the fields of instrumentation and telemetry, and to manufacture and market electronic equipment related thereto. To date, its activities have been concentrated on radio telemetry components and systems, for use primarily in the Government's aircraft, missile and space exploration programs. In addition to certain indebtedness, the company has outstanding 375,000 shares of common stock. The prospectus lists 8 selling stockholders including Goldman, Sachs & Co., Bear, Stearns & Co., Lehman Brothers and Wertheim & Co., who own 35,500, 33,800, 35,781 and 13,275 shares, respectively, and propose to sell 13,000, 23,000, 18,000 and 13,000 shares, respectively. Others propose to sell amounts ranging from 1,600 to 2,800 shares. Management officials as a group own 14.7% of the outstanding common stock of the company. Robert J. Jeffries is listed as president.

VALLEY TITLE & TRUST FILES FOR STOCK OFFERING. Valley Title & Trust, 1001 North Central Avenue, Phoenix, Arizona, filed a registration statement (File 2-18293) with the SEC on June 13th seeking registration of 120,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made on a best efforts basis through Louis R. Dreyling & Co., Inc., which will receive a 75¢ per share selling commission and \$25,000 for expenses. The prospectus states that the company has granted the underwriter a 1-year option to purchase one common share at 10¢ per share for each eight shares sold by the underwriter.

The company was organized under Arizona law in December 1960. It proposes to engage in the business of writing and selling title insurance and acting, when its services are required in such capacities, as trustee and an escrow agent. It will write and sell title insurance as the exclusive agent, for Maricopa County, Arizona, of Kansas City Title Insurance Company, a Missouri company engaged in the title insurance business. The net proceeds from the stock sale will be used as follows: \$200,000 to complete the processing of the deed and mortgage records of Maricopa County, and reduce them to a usable electronic data-processing system; \$100,000 for working capital during the period required to generate sufficient current business to produce income in excess of costs; and \$190,000 for a reserve to purchase or rent additional offices as they become necessary to meet competition.

The company has outstanding 104,000 shares of common stock, of which Darrow Thompson, board chairman, James H. Monroe, president, and Charles M. Brewer, vice president, own 26,000, 20,000 and 20,000 shares, respectively. According to the prospectus, 64,000 shares were issued to management officials in consideration of services and advice, and 40,000 shares were sold at \$2.50 per share to sixteen persons, including Thompson.

OVER

FAMOUS ARTISTS SCHOOLS FILES FOR OFFERING AND SECONDARY. Famous Artists Schools, Inc., 680 Fifth Avenue, New York, filed a registration statement (File 2-18294) with the SEC on June 13th seeking registration of 336,625 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 236,625 shares, being outstanding stock, by the present holders thereof. Bear, Stearns & Co. heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 33,662 common shares which underlie 5-year warrants which the company has agreed to sell the principal underwriter at 10¢ per warrant, exercisable at the public offering price.

The company is in the business of providing home study courses by correspondence in the fields of commercial art, fine arts painting, professional cartooning, and fiction, non-fiction, advertising and business writing. A new subsidiary, Famous Photographers School (Delaware) Inc. will offer a course or courses in the art and usages of photography. The net proceeds from the company's sale of additional stock will be added to working funds to be used for general corporate purposes, including expenses which may be incurred in preparing, printing and advertising the new home study course in photography, estimated to amount to about \$750,000.

In addition to certain indebtedness, the company has outstanding 946,500 shares of common stock, of which Albert Dorne, president, owns 10.5% and management officials as a group 38.1%. The list of selling stockholders and number of shares proposed to be sold by each are to be supplied by amendment.

UNITED INDUSTRIAL TRADING BAN CONTINUED. The SEC has ordered the suspension of trading in securities of United Industrial Corporation (Del.), on exchanges and the over-the-counter market, for a further ten-day period June 15 to 24, 1961, inclusive.

SHERBURN J. DODGE SENTENCED. The SEC Chicago Regional Office announced June 9th (LR 2044) that Sherburn J. Dodge, of Shawano, Wisc., against whom a federal court injunction against fraudulent activities was obtained in 1959 and a receiver appointed, was sentenced on June 2d by the Shawano County Circuit Court to nine years imprisonment for violation of Wisconsin's securities and embezzlement laws on his plea of guilty to a 19-count information charging such violations.

TAYLOR-COUNTRY ESTATES ASSOCIATES FILES FOR OFFERING. Taylor-Country Estates Associates, 420 Lexington Avenue, New York, filed a registration statement (File 2-18288) with the SEC on June 12th seeking registration of \$2,420,000 of limited partnership interests, to be offered for public sale in units at \$10,000 each. The offering will be made on a best efforts basis through Nat Berger Associates, Inc., which will receive a 7½% selling commission and a maximum of \$63,000 for expenses.

The partnership was organized under New York law in May 1961 with Morry M. Mason, Frank Seidenwurm and Norman Seidenwurm as the general partners and six others as original priority limited partners, all having contributed an aggregate of \$40,000 cash capital to the partnership. It was formed for the sole purpose of acquiring all of the issued and outstanding stock of certain companies which will ultimately own five luxury, fireproof, completely air-conditioned, elevator apartment residences in middle income rental brackets located in East Orange, Newark, and Jersey City, New Jersey. The buildings are being constructed by Taylor International Corp. which will complete the five buildings on a progressive basis starting with the summer of 1961, final completion being before December 1962. Pursuant to an agreement between Taylor and the two Seidenwurms (Mason acting as agent for Taylor, assigned all of his interest in the partnership to Taylor), Taylor will deliver the stock of the said companies to the Seidenwurms in consideration of (1) payment to Taylor of \$175,000 and an additional \$1,915,000 upon the closing of the transaction, and (2) the transfer to Taylor of 50% of the general partnership interests in exchange for a capital contribution of \$10,000, and 50% of the total subordinated limited partnership interests which are valued at \$300,000. In consideration for the assignment of such agreement to the partnership, the Seidenwurms received general partnership and limited partnership interests identical to those received by Taylor. The net proceeds of \$2,400,000 from the sale of partnership interests plus the \$40,000 already received from the general and original partners will be used as follows: \$1,915,000 to pay Taylor upon closing of said transaction, \$175,000 to pay the Seidenwurms in reimbursement of payment made to Taylor upon execution of agreement, and \$350,000 to pay to the general partners in consideration of their agreement to bear all expenses of this offering and of the partnership formation.

CORRECTION RE BUCKEYE REGISTRATION. In the SEC News Digest of May 29th, it was incorrectly reported that, of the 2,106,220 shares of The Buckeye Corporation common stock included in that company's registration statement (File 2-18208), 107,043 shares were issued "to acquire Flamingo Telefilm Sales, Inc.," whereas such stock was issued to acquire an interest in revenues derived from the "Superman" motion pictures; and that 2,144,813 shares were outstanding on March 31, 1961, after giving effect to the issuance of 1,061,220 shares issuable after that date in connection with certain transactions described in the registration statement, whereas the total outstanding shares on that date amounted to a combination of the two figures, or 3,206,033.

SECURITIES ACT REGISTRATIONS. Effective June 13: Real Estate Investment Trust of America (File 2-17885); Effective June 14: Fiat Metal Manufacturing Co., Inc. (File 2-17823); Hycon Mfg. Company (File 2-17954); Massachusetts Electric Company (File 2-17996); and P. Lorillard Company (File 2-18100); R.R. Donnelly & Sons Company (File 2-18127).