

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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Washington 25, D.C.

FOR RELEASE October 23, 1961

Statistical Release No. 1786. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended October 20, 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	
	10/20/61	10/13/61		High	Low
Composite	138.6*	137.5	+0.8	138.6	118.3
Manufacturing	129.4	128.8	+0.5	131.0	113.0
Durable Goods	132.1	132.3	-0.2	132.8	117.0
Non-Durable Goods	127.0	125.5	+1.2	130.5	109.2
Transportation	110.1	111.0	-0.8	111.0	97.8
Utility	175.4*	173.3	+1.2	175.4	144.4
Trade, Finance & Service	180.5*	174.8	+3.3	180.5	132.5
Mining	92.3	89.0	+3.7	99.5	83.3

*New High

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended October 19, 1961, 40 registration statements were filed, 46 became effective, 2 were withdrawn, and 688 were pending at the week end.

TWO PROMOTED IN STAFF REORGANIZATION. SEC Chairman Cary has announced the promotion and transfer of two career employees, Irving M. Pollack and Charles H. Eisenhart, coincident with a realignment of functions which will concentrate in the Division of Trading and Exchanges the primary responsibility for investigation and enforcement functions in Washington including coordination of the enforcement and investigation activities of the Commission's Regional Offices.

The enforcement unit is to consist of two new branches, the Branch of Trial and Enforcement and the Branch of Criminal Reference, in the Division of Trading and Exchanges, together with the present Branch of Investigations, Reports and Administrative Proceedings and Branch of Special Investigations. Mr. Pollack has been named Associate Director of the Division in charge of the four Branches, under supervision of the Division Director; and he will be assisted by Mr. Eisenhart, who has been named Assistant General Counsel. Mr. Pollack also will retain his title of Assistant General Counsel and serve as liaison between the Division and the Office of the General Counsel, which will have continuing jurisdiction over all court litigation. Thus, the supervision of investigations and resulting administrative actions, as well as the review of investigation reports recommending the reference of cases to the Department of Justice for prosecution, will be conducted under Mr. Pollack's supervision. This conforms to a recommendation contained in the management report of Booz, Allen & Hamilton and should contribute to more effective coordination of such activities in the several Regional Offices and their supervision by the Washington Office.

Mr. Pollack joined the Commission's Staff in October 1946 and has been closely associated since then with its investigation and enforcement activities, particularly in the development of cases for criminal prosecution. In 1956 he became an Assistant General Counsel in charge of criminal reference matters. Mr. Pollack received a B.A. degree cum laude from Brooklyn College and an LL.B. degree magna cum laude from Brooklyn Law School in 1942. He was born in Brooklyn, N. Y., on April 8, 1918. Mr. Eisenhart was appointed to the Commission's Staff in June 1935 and was assigned to the Registration Division (now Division of Corporation Finance), where he engaged in the examination of registration statements and annual and other periodic reports for compliance with the disclosure requirements of the securities laws. He became an Assistant Director of the Division of Corporation Finance in 1953. He was born in Columbus Ohio, on March 8, 1907.

REVIEW OF NASD ACTION DISMISSED. The SEC has issued an order under the Securities Exchange Act (Release 34-6653) dismissing a petition of Stanford Corporation and George W. Stanford, 2715 Connecticut Ave., N. W., Washington, D. C., to review disciplinary action of the National Association of Securities Dealers, Inc. The NASD in October 1960 expelled Stanford Corporation from membership, revoked Stanford's registration as a registered representative, and assessed costs of \$502.88 against them for violation of the Association's Rules of Fair Practice. The NASD had ruled that Stanford Corporation transacted business while in violation of the net capital requirements of the Act, charged mark-ups that were excessive and unfair and sold securities by means of deceptive practices, and that Stanford was responsible for such violations. The review petition was dismissed for failure of the petitioners to file a brief or otherwise process their appeal.

EQUITY CORP. FILES PROPOSAL. The Equity Corporation, New York investment company, has joined with Bell Intercontinental Corporation (formerly Bell Aircraft Corporation) in the filing of an application for an exemption order under the Investment Company Act with respect to the transfer to Bell of the assets of two subsidiaries of Equity; and the Commission has issued an order (Release IC-3338) giving interested persons

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until November 3d to request a hearing thereon. Equity controls Bell through the ownership of 1,395,504 shares (50.13%) of its outstanding stock. Bell is engaged in the management of leased real estate and the manufacture of blast cleaning equipment, dust filtration equipment, metal bending equipment, gas valves for home appliances, and fiberglass materials for insulation.

The two subsidiaries, wholly-owned by Equity, are Frye Manufacturing Company and Southeastern Carbon Paper Company. The consideration for their purchase by Bell is to be \$4,380,000 in cash plus assumption of all their liabilities. Both subsidiaries produce and sell a variety of carbon papers for one-time and other uses to business and accounting forms manufacturers. Bell would pay \$3,504,000 for the assets of Frye and \$876,000 for the assets of Southeastern. Liabilities to be assumed amounted to about \$1,119,308 at December 31, 1960. Upon transfer of their assets the two subsidiaries will be liquidated.

PRESTIGE CAPITAL FILES FOR STOCK OFFERING. Prestige Capital Corporation, 485 Fifth Avenue, New York, filed a registration statement (File 2-19168) with the SEC on October 19th seeking registration of 200,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made on an all or none basis through underwriters headed by D. Gleich & Co. and Laird, Bissell & Meeds, which will receive a 50¢ per share commission and \$28,000 for expenses.

Organized under New York law in February 1961, the company is a small business investment company licensed under the Small Business Investment Act of 1958 and registered under the Investment Company Act of 1940 as a closed-end, non-diversified management investment company. Net proceeds from the stock sale will be used for investment in small business concerns representing a variety of industries. The company has outstanding 34,000 shares of common stock, of which Nathan Kupin, vice president, Stuart S. Gould, treasurer, and Arthur L. Feinstein, counsel, own about 16.6% each. Samuel I. Burd is listed as president. Pursuant to a recent recapitalization, the 15,300 shares then outstanding were exchanged for the 34,000 shares for which the company received an aggregate of \$153,000 or \$4.50 per share for each of the 34,000 shares.

M. A. HANNA CO. FILES FOR SECONDARY. The M. A. Hanna Company, 1300 Leader Building, Cleveland, filed a registration statement (File 2-19169) with the SEC on October 20, 1961 seeking registration of 740,000 outstanding shares of common stock, to be offered for public sale by The Hanna Mining Company. The offering will be made on an all or none basis through underwriters headed by The First Boston Corporation. The public offering price and underwriting terms are to be supplied by amendment.

The company was formed in 1922 as successor to a partnership, at which time it had total assets of about \$50 million and common shareholders' equity of approximately \$15 million. These funds were employed principally in blast furnace, iron ore, coal and shipping activities, businesses which later were combined with other enterprises to form The Hanna Mining Company and National Steel Corporation, and to become part of Consolidation Coal Company. At September 30, 1961, the net assets of the company were in excess of \$508 million, 70.8% invested in the securities of the above three companies and representing 46.5%, 26.4%, and 25.4%, respectively, of their outstanding common stocks. The balance of the company's common stock portfolio includes smaller but also substantial investments in nine other companies. Until recently, the company was engaged in various business activities for a number of companies, including the three companies constituting its principal investments. In October 1961 the Board of Directors determined, with the approval of its shareholders, that the company should separate the ownership and management of the investment portfolio from the ownership and responsibilities for the operation of its direct business activities; that it should transfer these activities and responsibilities to the appropriate associated companies, or dispose of them entirely, and become a registered investment company, thus enabling management to devote itself exclusively to the supervision of the company's investment portfolio. Disposition of the non-investment company assets has been or soon will be completed.

The company is registered under the Investment Company Act of 1940 as a closed-end, non-diversified investment company whose present investments are long-term holdings concentrated largely in a few industries (iron ore, steel, coal and oil) and in relatively few companies. The September 30th market value of its portfolio was \$477,621,795. In October 1961 the previously outstanding Class A and Class B common shares of the company were reclassified into a single class of common stock, and the outstanding shares were split four-for-one. The company now has outstanding 12,349,760 shares of common stock, of which The Hanna Mining Company owns 740,000 shares and proposes to sell all such shares, which sale will eliminate the existing cross-ownership between the company and Hanna Mining. Management officials as a group own or hold of record an aggregate of 2,890,236 shares. G. W. Humphrey is listed as board chairman, J. H. Thompson as chairman of the executive committee and W. A. Hobbs as president. Humphrey and Thompson are chairman of the executive committee and board chairman, respectively, of The Hanna Mining Company.

CONSOLIDATED EDISON PROPOSES BOND OFFERING. Consolidated Edison Company of New York, Inc., 4 Irving Place, New York, filed a registration statement (File 2-19170) with the SEC on October 20th seeking registration of \$60,000,000 of First and Refunding Mortgage Bonds due 1991, to be offered for public sale at competitive bidding. Net proceeds from the bond sale will be applied to retire short term bank loans estimated at \$57,000,000, and toward the cost of its construction program which will involve expenditures for the years 1961 through 1965 of about \$1,150,000,000.

HYATT CORP. FILES FOR OFFERING AND SECONDARY. Hyatt Corporation of America, 1290 Bayshore Highway, Burlingame, Calif., filed a registration statement (File 2-19171) with the SEC on October 20th seeking registration of 350,000 shares of capital stock, to be offered for public sale at \$10 per share. The offering will be made on an all or none basis through underwriters headed by J. Barth & Co. and Shearson, Hammill & Co., which will receive an 80¢ per share commission. The registration statement also includes (1) 15,000 shares underlying a three-year option to be sold to the principal underwriters for \$1,500, exercisable at \$12 per share, and (2) 103,274 shares to be issued to certain original subscribers. Such shares may be offered from

time to time by the holders thereof at prices prevailing in the over-the-counter market.

The company was organized under California law in September 1961 for the purpose of acquiring a chain of motor hotels operating under the name of "Hyatt House," most of which are located near major west coast airports. The Hyatt Corporation, a Delaware company, took the initiative in organizing the company and is its promoter. That company and others owning some of the interests in the various Hyatt Houses have agreed to transfer their interests in the properties and businesses to the company in exchange for (depending upon the amount of debt assumed by the company) 789,161 capital shares, a \$1,000,000 6½% promissory note payable to The Hyatt Corp. and non-interest bearing notes for \$135,000 payable to James F. Rigby, C. H. Rigby and Rigby Development Co., Inc. The company also intends to acquire an 85% stock interest in Hyatt Chalet Motels, Inc., a California company recently organized by The Hyatt Corp. for the purpose of constructing a chain of motels to be operated under joint venture agreements with resident managers and co-owners. Of the \$3,100,000 estimated net proceeds from the company's sale of additional stock, \$135,000 will be used as part payment for a portion of the interest in Hyatt House-Seattle, \$900,000 to finance a 9-story tower addition of 90 rooms to Hyatt House West-Los Angeles, \$500,000 for the equity financing of a 150 room new Hyatt House in City of Commerce, an industrial section in the Los Angeles area, \$235,000 for 85% of the capital stock of Hyatt Chalet Motels, Inc., and \$1,330,000 for addition to general funds to be available for investment in new Hyatt Houses and development of an office community center on 15 acres of leased land adjoining Hyatt House-San Jose.

In addition to certain indebtedness, the company will have outstanding (after giving effect to the proposed acquisitions) 789,161 shares of capital stock, of which 80% will be owned by The Hyatt Corporation and 86.7% by management officials as a group (directly or indirectly). The Hyatt Corporation and its parent, Rockwood & Co. are principally owned directly or indirectly by Jay A. Pritzker, company president, Donald N. Pritzker, executive vice president, and certain other members of their families. The prospectus lists 10 selling stockholders (who propose to sell all of their holdings) including Jack D. Crouch and Hyatt Robert von Dehn who propose to sell 32,451 and 20,000 shares, respectively. The latter has an option to sell his shares to A. N., Jay and Donald N. Pritzker at \$10 per share and, if exercised, said Pritzkers would be substituted as selling stockholders as to such shares. Others propose to sell amounts ranging from 592 to 14,329 shares. One of the original subscribers, Joseph Amoroso, owns the remaining 5% interest in Hyatt Chalet Motels, Inc.

LIBBEY-OWENS-FORD GLASS FILES STOCK PLAN. Libbey-Owens-Ford Glass Company, 811 Madison Avenue, Toledo, Ohio, filed a registration statement (File 2-19172) with the SEC on October 20th seeking registration of 40,682 shares of common stock, to be offered pursuant to its Employee Stock Option Plan.

ALLIED CAPITAL FILES FOR STOCK AND RIGHTS OFFERING. Allied Capital Corporation, 7720 Wisconsin Ave., Bethesda, Md., filed a registration statement (File 2-19173) with the SEC on October 20th seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by Allen & Company. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 13,427 shares which the company proposes to offer for subscription by common stockholders at the rate of one share for each ten shares held. The record date and subscription price are also to be supplied by amendment.

The company (formerly Allied Small Business Investment Corporation) is licensed under the Small Business Investment Act of 1958 and is a closed-end, non-diversified investment as defined in the Investment Company Act of 1940. Net proceeds from the stock sale, together with proceeds of a loan from the Small Business Act, will be used to provide equity capital and long-term loans to small business concerns. A portion of such proceeds may be applied to the reduction of outstanding indebtedness of \$137,000 to Small Business Act evidenced by a 5% subordinated debenture.

In addition to certain indebtedness, the company has outstanding 134,263 shares of common stock, of which management officials as a group own 19.6%. Claude A. Jessup is listed as president.

RECCO FILES FOR OFFERING AND SECONDARY. Recco, Inc., 1211 Walnut St., Kansas City, Mo., filed a registration statement (File 2-19174) with the SEC on October 19th seeking registration of 75,000 shares of Class A stock, of which 60,000 shares are to be offered for public sale by the company and 15,000 shares, being outstanding stock, by the present holders thereof. Midland Securities Company, Inc. heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company (formerly Discount Records Distributors, Inc.), through its subsidiaries, operates record and record accessory departments, and in some instances the card, stationery, book and paper departments, in certain closed membership or open door discount department stores. Net proceeds from the company's sale of additional stock will be used to open additional new licensed departments throughout the United States. Each new department requires an investment of from \$25,000 to \$40,000.

The company has outstanding 60,000 Class A and 120,000 Class B common shares, of which S. Harvey Laner, president, Irvin Corson, executive vice president, Fred Goldman, Jr., and three other management officials, each owns 3% of the Class A and 15% of the Class B shares. In addition, Ralph J. Tucker owns 2% and 10%, respectively. Each proposes to sell all of his Class A holdings.

JOCELYN-VARN OIL & GAS FILES FOR OFFERING. Jocelyn-Varn 1962 Oil & Gas Associates, 310 KFH Bldg., Wichita, Kansas, filed a registration statement (File 2-19175) with the SEC on October 20th seeking registration of \$1,500,000 of Oil and Gas Exploration Agreements, to be offered for public sale in \$20,000 units. The offering will be made by Associates without underwriting discounts or commissions. The remuneration to be paid to it will consist of a "carried interest" of 30% in each project. Participants will acquire an interest in each oil or gas prospect acquired from funds of the program and in the drilling of a test well and development wells on such interests. A part of the program funds may be expended in the acquisition of producing properties or interests therein. Proceeds of the sale of participations will be applied against all costs chargeable to participants of selecting and acquiring the property interests, of drilling test

and development wells in 1962, plugging and abandoning each well which results in a dry hole, and were deemed advisable for completing the development of wells, acquiring producing properties or other like purposes. Associates was formed by Meredith Jocelyn and Stewart Varn, of Wichita, who are partners of Jocelyn-Varn Oil Company, whose services may be utilized in connection with the program.

VTRS FOR SUPER VALU STORES FILED. R. W. Byerly, president of Super Valu Stores, Inc., of Hopkins, Minn., together with eight other trustees under the Super Valu Stores, Inc. Voting Trust Agreement of January 20, 1958, filed a registration statement (File 2-19176) with the SEC on October 20th seeking registration of voting trust certificates for 148,498 shares of said company's common stock, being those shares not now registered which will be outstanding upon issuance and sale of 90,000 additional shares of common stock of the company through underwriters or which are reserved for issuance upon exercise of outstanding options.

TIP TOP PRODUCTS FILES FOR SECONDARY. Tip Top Products Company, 16th and Cuming Sts., Omaha, Nebr., today filed a registration statement (File 2-19177) with the SEC seeking registration of 121,778 outstanding shares of Class A and 130,222 outstanding shares of Class B common stock, to be offered for public sale on an all or none basis through underwriters headed by White, Weld & Co., Inc., and First Nebraska Securities Corp. The public offering price and underwriting terms are to be supplied by amendment.

All of the shares are owned by Carl W. Renstrom, company president. His holdings of Class A stock amount to 27.2% of the outstanding shares; and he holds 230,222 shares, or 100% of the outstanding Class B stock. Upon sale of the shares being registered he will continue to own 100,000 Class B shares. In addition to the Class A and B stock, the company has outstanding certain mortgage indebtedness. It is engaged in the design, manufacture, and distribution of a wide assortment of hair care items and accessories of which the more important products are hair curlers and rollers, wave and pin curler clips, chignons, hair nets, combs and barrettes.

SECURITIES ACT REGISTRATIONS. Effective October 23: Bangor & Aroostook Corp. (File 2-18603); Blue Ridge Limited Partnership (File 2-18709); Hexagon Laboratories, Inc. (File 2-18529); New York Equities, Inc. (File 2-18037); Nuclear Corporation of America (File 2-18679); Nuclear Corporation of America (File 2-18680).

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