

# 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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FOR RELEASE March 16, 1960

**CHOCK FULL O'NUTS FILES FOR SECONDARY.** Chock Full O'Nuts Corporation, 425 Lexington Ave., New York, filed a registration statement (File 2-16257) with the SEC seeking registration of 126,000 outstanding shares of its common stock, to be offered for public sale by the present holder thereof through an underwriting group headed by F. Eberstadt & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company operates a chain of 28 counter-service restaurants located principally in New York City; and its other principal activity is the manufacture and sale of Chock Full O'Nuts brand of coffee. It now has outstanding 842,310 common shares in addition to certain indebtedness. The selling stockholder is The Trustees of Columbia University in the City of New York, whose holdings of 126,000 shares amount to 15% of the outstanding stock. William Black, president, is listed as the owner of 154,612 shares, or 18%.

**NOVA SCOTIA FILES FOR DEBENTURE OFFERING.** The Province of Nova Scotia (Canada) filed a registration statement (File 2-16258) with the SEC on March 15, 1960, seeking registration of \$10,000,000 of Twenty Year Sinking Fund Debentures, to be offered for public sale through an underwriting group headed by Halsey, Stuart & Co., Inc. and Royal Securities Corp. Ltd. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Of the net proceeds of the bonds sale, some \$7,650,000 will be used to repay Treasury bills previously issued in connection with the retirement of three series of debentures; and the balance of the proceeds will be advanced to The Nova Scotia Power Commission to be applied by that Commission to the repayment of bank borrowings incurred in connection with its construction program.

**GEORGE J. WERNER SENTENCED.** The SEC Chicago Regional Office announced March 11, 1960 (Lit. Release 1614) that George J. Werner had been sentenced (USDC ND Ind.) to three years imprisonment for fraud in the sale of Werner Oil Development Company securities.

**ALABAMA POWER FINANCING.** The SEC has issued an order under the Holding Company Act (Release 35-14190) giving interested persons until March 29, 1960, to request a hearing upon the bond financing proposal of Alabama Power Company (Birmingham). As previously reported (SEC News Digest of 3/7/60), Alabama Power proposes to offer and sell at competitive bidding \$19,500,000 of first mortgage bonds due 1990, the proceeds of which will be applied to its construction program (including repayment of bank loans).

**MICHIGAN WISCONSIN POWER FINANCING CLEARED.** The SEC has issued an order under the Holding Company Act (Release 35-14191) authorizing Michigan Wisconsin Pipe Line Company to issue and sell to its parent, American Natural Gas Company, an additional 60,000 shares of common stock for a cash consideration of \$6,000,000. The Pipe Line Company also was authorized to issue notes to banks in 1960 in amounts not exceeding \$35,000,000 in the aggregate. The proceeds of the sale of stock and notes will be applied toward the Pipe Line Company's 1960 construction program, involving expenditures estimated at \$74,000,000.

**ORDER SOUGHT BY CAPITAL GROWTH SECURITIES.** Capital Growth Securities, Inc., New York investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to certain transactions; and the Commission has issued an order (Release 40-2984) giving interested persons until March 25, 1960, to request a hearing thereon. The transactions involve the transfer to the company, to provide it with part of the \$100,000 net worth required by the Act, of securities having a market value as of September 14, 1959, of \$102,972, in exchange for shares of the company's capital stock. The transferors, who have joined in the application, are all members of the family, namely, the wife of Richard C. Jacobs, president, and James Mumford and George S. Mumford, the brother and father, respectively, of Mrs. Jacobs.

**SUMMARY OF PARKER PETROLEUM REPORT FILED WITH COURT.** The Securities and Exchange Commission has filed with the United States District Court in Oklahoma City, a Summary of two reports it previously filed with the Court with respect to the fairness and feasibility of a proposed plan for the reorganization of Parker Petroleum Co., Inc., Debtor in corporate reorganization proceedings pursuant to Chapter X of the

OVER.

For further details, call ST. 3-7600, ext. 5526

**Bankruptcy Act.**

In its original advisory report on the plan dated December 7, 1959 (Release CR-128), the Commission concluded that the plan was not fair, equitable or feasible. The plan was subsequently amended in certain respects; and in a supplemental advisory report dated February 18, 1960 (Release CR-130), the Commission concluded that while the amendments met the Commission's objections in three respects, the amendments failed to meet most of the basic objections outlined in the earlier report and, in part, added additional elements of unfairness. A subsequent amendment corrected one of the additional elements of unfairness; but the Commission's basic objections to the plan still exist and the plan, as amended, is considered by the Commission to be unfair to both preferred and common stockholders and to be unfeasible.

The amended plan has been approved by the Court for submission to creditors and stockholders for their approval or disapproval. The Summary of the two earlier reports of the Commission was prepared for distribution by the Court to the creditors and security holders entitled to vote upon the amended plan. Copies thereof, as well as copies of the earlier reports, are available upon request.

**MELVILLE SHOE PROPOSES DEBENTURE OFFERING.** Melville Shoe Corporation, 25 West 43rd St., New York, filed a registration statement (File 2-16259) with the SEC on March 15, 1960, seeking registration of \$12,000,000 of Twenty Year Debentures, due 1980, to be offered for public sale through an underwriting group headed by Merrill Lynch, Pierce, Fenner & Smith, Inc. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company and its subsidiaries conduct an integrated shoe retailing-manufacturing business. Net proceeds of the sale of the debentures will be used for the repayment of bank loans, for increased working capital required for expansion purposes, and for other general corporate purposes. The proceeds of the bank loans were used for like purposes.

The prospectus lists Ward Melville as board chairman and Robert C. Erb as president of the company. Management officials own 465,424 shares (16.7%) of the outstanding common stock.

**TRADING IN SKIATRON COMMON SUSPENDED.** The Securities and Exchange Commission today announced the further suspension of trading in the common stock of Skiatron Electronics and Television Corporation, 180 Varick Street, New York, on the American Stock Exchange during the period March 17 to 26, 1960, inclusive. The suspension order which was issued pursuant to Section 19(a)(4) of the Securities Exchange Act of 1934, states that the suspension is necessary to prevent fraudulent, deceptive or manipulative acts or practices in Skiatron stock, thus prohibiting trading in the stock by brokers and dealers in the over-the-counter market during the period of the suspension by virtue of the Commission's Rule 15c2-2.

Administrative proceedings involving questions as to the accuracy and adequacy of factual disclosures contained in a registration statement filed by Skiatron under the Securities Act of 1933 and whether a stop order should be issued suspending the said statement (See Release 33-4174) are currently in progress. Suspension of trading is considered necessary by the Commission in view of the serious nature of the deficiencies in said registration statement and the inability of investors to make an informed analysis and evaluation of the worth of Skiatron stock upon the basis of published information.

**GENERAL ELECTRIC FILES EMPLOYEE PLAN.** General Electric Company, Schenectady, N. Y., today filed a registration statement (File 2-16260) with the SEC seeking registration of 1,200,000 shares of its common stock, being stock which may be purchased pursuant to the General Electric Savings and Security Program for eligible employees.

**PITTSBURGH SELF-SERVICE ASSOCIATES FILES.** Pittsburgh Self-Service Associates, 60 East 42nd St., New York, today filed a registration statement (File 2-16261) with the SEC seeking registration of 72 Partnership Interests in Associates, to be offered for sale in \$10 units.

Associates is a partnership consisting of Lawrence A. Wien and Ivan Shapiro. It owns 6½ acres of land in the metropolitan area of Pittsburgh (7215 McKnight Rd.) on which a single level 60,000 square foot building is being erected for use as a self-service department store, expected to be open for business in May 1960. Associates will own the land and building, free and clear of mortgages. The total cost of the completed project will be \$925,000, which includes \$181,000 for the land, \$664,000 for construction costs, and \$80,000 for other expenses. Associates has entered into a lease of the property with McKnight Road Associates, a partnership of Wien and Peter L. Malkin. McKnight will pay \$185,000 towards the cost of the project. Associates will thus have a cash outlay of \$740,000.

Each of the partners of Associates is offering participations of \$360,000 in his partnership interest. Each partner will also contribute \$10,000 to the partnership, thus providing the total partnership capital of \$740,000 to defray the acquisition cost. McKnight will sublease the property to Zayre Corp. and New England Trading Corporation, and the store will be operated under the Zayre name by a subsidiary of Zayre Corp.

**SEC COMPLAINT NAMES TELEVISION INDUSTRIES, FOX.** The SEC New York Regional Office announced March 14, 1960 (Lit. Release No. 1616) the filing of court action (USDC SDNY) seeking to enjoin Television Industries, Inc., and Matthew M. Fox, president and board chairman, from further sales of Television Industries stock in violation of Securities Act registration requirement.