SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

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

Washington 25, D.C.

FOR RELEASE July 28, 1960

RULE VIOLATIONS CHARGED TO AMERICAN PROGRAMMING CORP. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether that law and a Commission rule thereunder have been violated by American Programming Corporation (the "respondent"), 430 N. Camden Drive, Beverly Hills, Calif., and, if so, whether it is in the public interest to revoke its broker-dealer registration and/or to suspend or expel it from membership in the National Association of Securities Dealers, Inc.

According to the Commission's order, information developed in an investigation conducted by its staff tends if true to show that the respondent engaged in the conduct of a securities business during the period February 1959 to February 1960 in violation of the Commission's net capital rule, in that its aggregate indebtedness to all other persons exceeded 2,000% of its net capital. The rule seeks to protect investors against the risk of loss of their funds or securities held by broker-dealer firms due to the financial instability of such firms. The order further states that the respondent and its president, Karl C. Vesper, were enjoined by Federal court order in March 1960, in an action brought by the Commission, from further violations of the net capital rule.

A hearing will be held, at a time and place later to be announced, for the purpose of taking testimony with respect to the foregoing.(NOTE TO PRESS. Copies of foregoing also available in SEC Los Angeles Office)

DETROIT & CLEVELAND NAVIGATION PROPOSES MERGER. Detroit and Cleveland Navigation Company, Detroit investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to its proposed merger with and into Denver Chicago Trucking Company, Inc., of Denver; and the Commission has issued an order (Release 40-3082) giving interested persons until August 15, 1960, to request a hearing thereon.

Navigation Company ceased its navigation operations in 1950 and registered as an investment company in 1954. It has outstanding 135,643 shares of common stock. Net assets of Navigation Company as of November 30, 1959, amounted to $4,708,942. Among the assets are 152,416 shares (36.8%) of Trucking Company common stock having a market value on that date of $4,077,128. It also owns all the outstanding stock of Dominion Transportation Company, Limited, whose principal asset consists of all the outstanding stock of The Owen Sound Transportation Company (both Canadian companies).

Trucking Company operates a motor carrier in interstate commerce. It and its wholly-owned subsidiaries had total assets of $21,726,606 and total liabilities of $13,021,370 as of December 31,1959, its assets including 17,200 shares (12.8%) of Navigation Company stock. Of the 413,400 outstanding common shares of Trucking Company, as indicated, 36.8% is owned by Navigation Company. The cross-ownership is contrary to Section 20(c) of the Act and will be eliminated by the merger. The two merging companies have certain common directors and officers; and the officers and directors of the two companies as a group own about 29,000 shares (21%) of the outstanding Navigation Company stock.

Under the merger agreement, which is subject to approval by the affirmative vote of the holders of at least two-thirds of the outstanding common stock of each company, each share of Navigation Company common is to be exchanged for one and two-fifths shares of Trucking Company common. In lieu of fractional shares, holders of Navigation Company stock will receive payment at the rate of $20 per full share. Trucking Company will continue in existence and operate with the same board of directors and officers as at present. The rate of exchange of 1.4 shares of Trucking Company stock for each share of Navigation Company stock is equivalent to a total of about 190,000 shares of Trucking Company stock for the 135,642 shares of Navigation Company stock outstanding. The net effect of the merger will be the issuance of an additional 13,404 shares of Trucking Company stock.

ATLAS EXCHANGE OF TITEFLEX SECURITIES EXEMPTED. The SEC has issued an exemption order under the Investment Company Act (Release 40-3083) authorizing an exchange of securities by and between Atlas Corporation, New York investment company, and Titeflex, Inc., a subsidiary. Atlas owns 1,380,379 shares (94.79%) of Titeflex common stock and $5,563,531 of its notes. Titeflex proposes to issue preferred stock to Atlas in exchange for said notes on the basis of one share for every $25 of notes plus accrued interest (or a total of 233,000 preferred shares).

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ORDER EXEMPTS BOSTON FUND ACQUISITION. The SEC has issued an exemption order under the Investment Company Act (Release 40-3084) permitting Boston Fund, Inc., Boston investment company, to issue its shares at their net asset value for substantially all of the cash and securities (amounting to about $6,200,000 as of March 31, 1960) of The Hartford Investment Company, a personal holding company.

WACHUSETT GAS STOCK SALE APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14261) authorizing New England Electric System, Boston holding company, to acquire an additional 3,000 shares of the capital stock of Wachusett Gas Company, a subsidiary, for $300,000. The subsidiary will apply the funds to the payment of a like amount of bank notes incurred for property additions and improvements.

VITRAMON INC. FILES FOR OFFERING AND SECONDARY. Vitramon, Incorporated, Bridgeport, Conn., filed a registration statement (File 2-16845) with the SEC on July 27, 1960, seeking registration of 103,512 shares of common stock, of which 25,650 shares are to be offered for public sale by the company and 77,862 being outstanding stock, by the present holders thereof. The public offering price and underwriting terms are to be supplied by amendment. G. H. Walker & Co. is listed as the principal underwriter.

The company was formed in 1960, is the successor by merger to Vitramon, Inc., and is engaged in the manufacture and sale of solid state porcelain dielectric capacitors and microminiature ceramic dielectri capacitors. It now has outstanding 600,438 shares of common stock in addition to 21,010 shares of $1 par preferred stock and $118,750 of long term mortgage notes. Net proceeds to the company from its sale of the additional 25,650 shares will be used as follows: $25,000 to redeem the outstanding preferred, $112,500 to prepay the balance of the mortgage notes, and the balance for working capital. Proceeds of the notes were used to purchase new equipment and machinery and for research and development.

Of the outstanding stock, Barton L. Weller owns 313,272 shares, or 52.17%. Management officials as a group own 62.65% o. the outstanding common and 27.57% of the preferred. The prospectus lists seven selling stockholders, whose holding aggregate 155,040 shares and one of whom is a director. Holder of the largest block among the selling stockholders is P. William Lee, who owns 62,814 shares and proposes to sell 28,500 shares. The other blocks being sold range in size from 1,710 to 27,702 shares, the latter being part of 50,502 shares held by an estate.

PIK-QUIK PROPOSES STOCK OFFERING. Pik-Quik, Inc., Baker Building, Minneapolis, Minn., filed a registration statement (File 2-16846) with the SEC on July 27, 1960, seeking registration of 550,000 shares of common stock, to be offered for public sale through an underwriting group headed by A. C. Allyn and Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

Organized in November 1958, the company's business has consisted of establishing, purchasing and operating so-called self-service "bantam markets" under the names "Pik-Quik" and "Tom Thum," which are located in Florida and now number thirty-one. The company now intends to enter the meat processing and provision business by the purchase, with the proceeds of this offering and other funds, of substantially all the assets of Plymouth Rock Provision Co., Inc. It processes mainly pork products such as canned hams, bacon, and pork sausages, and wieners and cold cuts, and distributes its products largely in the New York trade area, although canned hams are distributed nationally. The purchase price will be the book net worth of Plymouth as of the date of closing plus an additional sum of $671,990; and, in addition, the company is obligated under the contract to deposit on the closing date a sum equal to the total liabilities of Plymouth on that date. As of April 29, 1960, the book net worth of Plymouth amounted to $3,614,862 and the amount of total liabilities was $1,090,826. The purchase will be financed in part from the proceeds of this stock offering and from borrowings of $1,900,000.

In addition to certain indebtedness, the company now has outstanding 794,125 common shares. The prospectus lists W. C. Metzger as president and one of the founders of the company. The founders on June 30th owned an aggregate of 223,505 common shares which, except for 25,000 shares issued for services, were acquired at prices ranging from $1 to $1.25 per share. Present officers and directors own 166,900 shares, or about 21% of the outstanding common. An additional 18% is owned of record by Smith, Barney & Co.

FOUR STAR TELEVISION PROPOSES OFFERING. Four Star Television, 4030 Radford Ave., North Hollywood, Calif., filed a registration statement (File 2-16847) with the SEC on July 27, 1960, seeking registration of 120,000 shares of common stock, to be offered for public sale through an underwriting group headed by Dempsey-Tegeler & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company was organized under California law in June 1959 by Richard E. ("Dick") Powell, David Niven, Charles Boyer and Thomas J. McDermott. In a pending reorganization, Four Star Films, Inc., an affiliated company organized in 1955, will be merged into it. In the same reorganization Four Star Television will acquire all the outstanding shares of three other affiliated companies, Dayton Productions, Inc., BNP Music Publishing Co., and Trend Music Publishing Co., which will become its wholly owned subsidiaries. The company and its subsidiaries will engage in the business of producing and marketing television film series and in related enterprises.

According to the prospectus, the company has outstanding 480,000 common shares (reflecting the merger and reorganizations above mentioned). Net proceeds of the sale of additional stock will be added to its working capital for use in financing its production of television film series, including the development for future sale of new properties in which the company contemplates retaining larger ownership and profit interests than in the past. Additions to its working capital will also reduce the need for bank loans to finance current

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and future production activities. The prospectus lists Powell as president and McDermott as executive vice president and chief executive officer. Boyer, Niven and Charles G. Bole are vice presidents. Of the outstanding stock, Powell owns 42.5%, McDermott 15%, and Boyer and Niven 21.25% each.

SERVEL SHARES IN REGISTRATION. Servel, Inc., 19 Rector St., New York (and Evansville, Ind.) filed a registration statement (File 2-16850) with the SEC on July 27, 1960, seeking registration of 239,100 shares of common stock. These shares have been sold or may be sold by Servel upon exercise of options which were heretofore granted or may hereafter be granted to certain selected officers and/or employees of the company, in part pursuant to the company's presently existing Stock Option Plan.

ALTERMAN FOODS FILES FOR SECONDARY. Alterman Foods, Inc., 933 Lee Street, S. W., Atlanta, Georgia, filed a registration statement (File 2-16849) with the SEC on July 27, 1960, seeking registration of 100,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through a group of underwriters headed by Kidder, Peabody & Co. and Wertheim & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company operates a retail food chain, under the name "Big Apple", consisting of 48 super markets located in and within a 120 mile radius of Atlanta, Georgia. In addition, it processes preserves, jellies, mayonnaise and salad dressing for sale in its own markets and to other food stores and chains, and conducts a wholesale and an institutional grocery business.

In addition to certain indebtedness, the company has outstanding 734,928 shares of common stock, of which Isidore Alterman, board chairman and treasurer, owns 115,802 shares and is selling 30,000 shares, and Simon Moltack, president, owns 88,404 shares and is selling 20,000 shares. In addition, four other members of the Alterman family are selling a total of 50,000 shares of an aggregate 275,126 shares owned.

AMERICAN TITLE INSURANCE FILES FOR EXCHANGE & OFFERING. American Title Insurance Company, 901 Northeast Second Avenue, Miami, Florida, filed a registration statement (File 2-16848) with the SEC on July 27, 1960, seeking registration of 301,884 shares of common stock, of which 150,000 shares are to be offered for public sale by the issuing company. A. C. Allyn and Co. Inc., and Bache & Co. are listed as the principal underwriters; and the public offering price and underwriting terms are to be supplied by amendment.

An additional 61,004 shares are to be offered in exchange for stock of The Columbia Title Insurance Company of the District of Columbia and of The Real Estate Title Insurance Company of the District of Columbia, on the basis of 1-1/3 shares of American stock for each share of stock of the respective companies. Berens Securities Corporation of Washington, D. C., will solicit acceptances of the exchange offer. American now owns 34,864 shares (58.1%) of the Columbia Title stock and 39,383 shares (65.6%) of the Real Estate Title stock, most of which was acquired in May 1960 from a limited number of stockholders of these companies. In exchange therefor, American issued 90,380 shares of its stock, of which 56,474 shares were received by Berens Securities in exchange for its holdings of stock in the two companies and are to be acquired by the underwriters for public sale. Berens Securities, as compensation for soliciting acceptances of the exchange offer and for services in connection with American's acquisition of stock of the two companies, will receive an amount equal to 50¢ per share of stock of the two companies acquired by American and each share deposited pursuant to the exchange offer. Of the stock of the two companies heretofore acquire, 375 shares of Real Estate Title stock were acquired from one stockholder in exchange for 500 shares of American stock, and 2,352 shares of Columbia Title stock and 3,735 shares of Real Estate Title stock were purchased for a cash consideration of $12.50 per share. It is American's present intention to acquire all the outstanding shares of the two companies and that they shall retain their present corporate organization and operate as subsidiaries of American. American and its subsidiaries are primarily engaged in the business of insuring titles to real estate and performing related abstracting and escrow services. According to the prospectus, the net proceeds from the stock sale have not been allocated to any particular project or purpose and will be added to the company's general funds. Some of the funds may be used for possible future acquisitions.

American has outstanding 350,000 shares of $1.00 par preferred stock (voting) and 643,190 shares of common stock. Joseph Weintraub, board chairman, owns all such preferred stock and 179,928 common shares, and George W. DeFranceaux, a director, owns 68,725 shares of common.

McKESSON & ROBBINS PROPOSES DEBENTURE OFFERING. McKesson & Robbins, Incorporated, 155 E. 44th Street, New York, today filed a registration statement (File 2-16851) with the SEC, seeking registration of $15,000,000 of debentures due 1980, to be offered for public sale through a group of underwriters headed by Goldman, Sachs & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the wholesale drug business on a nation-wide basis through 88 divisions and branches. It distributes many of the products usually sold by retail druggists, including drugs (both pharmaceutical and proprietary), cosmetics, toiletries, and drug store sundries. In addition, the company sells wines at wholesale, and heavy and fine chemicals. The net proceeds from the debenture sale will be used to retire short-term borrowings, which aggregated $6,000,000 at July 15, 1960, and to finance the acquisition, for an amount based upon asset values and other considerations, estimated at $3,500,000, of a 50% interest in the drug, cosmetic and toiletries enterprises of Droguerias Aliadas, S. A. of Columbia. The company has presently advanced $600,000 to said firm. The remainder of such proceeds will be added to the company's general funds.

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TRIANGLE LUMBER PROPOSES OFFERING. Triangle Lumber Corp., 45 North Station Plaza, Great Neck, N. Y. today filed a registration statement (File 2-16852) with the SEC seeking registration of 140,000 shares of common stock, of which 118,000 shares are to be offered for public sale at $8 per share through an underwriting group headed by Bear, Stearns & Co., which will receive a commission of 80¢ per share. The remaining 22,000 shares are to be offered to officers and employees at $7.20 per share. The company has agreed to sell the underwriter at 10¢ per share, five-year options to acquire 14,000 common shares at $8 per share.

The company is engaged in the business of buying, warehousing, milling and distributing lumber, plywood and millwork for use in residential and industrial construction. It now has outstanding, in addition to various indebtedness, 415,000 shares of Class B common stock. Net proceeds of the sale of the 140,000 common shares will be added to the general funds of the company to provide additional working capital and may be used, in part, to retire short term indebtedness.

The prospectus lists Abe Meltzer as president. He owns 68.5% of the outstanding Class B common and his wife owns an additional 22.3%.

INDUSTRIAL TIMER PROPOSES STOCK OFFERING. Industrial Timer Corporation, 1407 McCarter Highway, Newark, N. J., today filed a registration statement (File 2-16853) with the SEC seeking registration of 75,000 shares of common stock, to be offered for public sale through an underwriting group headed by G. H. Walker & Co. and C. E. Unterberg, Towbin & Co. The public offering price and underwriting terms are to be supplied by amendment. 5,000 shares will be offered to employees.

The company was organized under Delaware law in July 1960 to combine the operations of three affiliated companies under common control, and will engage in the manufacture and sale of synchronous motor driven timing controls for use in various industrial applications, electro-magnetic relays for use in electrical circuits, photographic ("Time-O-Lite") darkroom equipment, and a recently developed programmer which, at the direction of coded punched cards or punched tape, functions as a master control to actuate various circuits in automated systems. Of the net proceeds of the stock sale, about $300,000 will be used to pay for constructing and equipping an addition to the company's Newark plant, $155,000 to establish a New Product Engineering Division, and $135,000 to prepay outstanding indebtedness incurred to carry inventory and accounts receivable. The balance will be added to working capital.

The company now has outstanding (or will have upon merger with the predecessors) 340,000 common shares and certain indebtedness. William H. Dunn is listed as president and board chairman. He and three other officers own all the outstanding shares of the predecessors (except a 20% interest in one); and the five will own all the 340,000 to-be-outstanding shares.

CORRECTION. The Lytton Financial Corp. statement reported in the SEC News Digest of July 27, 1960, was filed on July 26th, not June 26th as reported.

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