

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 August 8, 1960

Statistical Release No. 1696. The SEC Index of Stock Prices, based on the closing price of 265 common stocks for the week ended August 5, 1960, for the composite and by major industry groups compared with the preceding week and with the high and lows for 1960, is as follows:

	1939 - 100		Percent Change	1960	
	8/5/60	7/29/60		High	Low
Composite	392.9	394.1	-0.3	432.5	388.8
Manufacturing	465.4	466.7	-0.3	538.9	458.2
Durable Goods	446.0	447.9	-0.4	521.6	438.8
Non-Durable Goods	474.2	474.8	-0.1	544.4	467.1
Transportation	279.4*	284.4	-1.8	329.3	279.4
Utility	237.4	238.5	-0.5	242.3	216.1
Trades, Finance & Service	448.4	448.6	0.0	471.8	414.7
Mining	251.8	245.6	+2.5	299.7	240.7

*New Low

SECURITIES ACT REGISTRATION STATEMENTS. During the four-day period ended August 4, 1960, 14 registration statements were filed, 25 became effective, 2 were withdrawn, and 305 were pending at the end of the period.

VIOLATIONS CHARGED TO PICKMAN INVESTMENT OFFICERS. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether investors were defrauded by two officials of Pickman Investment Company, 555 Byron Street, Palo Alto, Calif., and, if so, whether the broker-dealer registration of the said company should be revoked.

According to the Commission's order, Joseph F. Pickering is president and David G. Hoffman is secretary-treasurer of Pickman Investment, and each owns 50% of its outstanding stock. From June 22, 1959, to March 29, 1960, during which period the transactions complained of occurred, they were president and vice-president, respectively, of Pickman Trust Deed Corporation. The Commission charges in its order that, during the period in question, Pickering and Hoffman "engaged in acts, practices and a course of business which would and did operate as a fraud and deceit" upon investors, in that they made false and misleading representations in connection with their offer and sale of notes and interests in notes secured by deeds of trust upon real estate, particularly with respect to the existence and amount of prior liens on property, the maker of some of the notes, the owner of real estate securing some of the notes, the holder of prior liens on real estate securing some of the notes, the sales price of real estate securing the notes, the terms of a lease of real estate securing notes, the owner's equity in real estate securing notes, and the value of real estate securing notes. The order also asserts that Pickering and Hoffman induced certain persons to purchase certain securities and to deposit money in trust with Pickman Trust Deed Corporation in payment therefor, and that Pickering and Hoffman failed to purchase and deliver such securities and converted the money to their own use and benefit.

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

VIOLATIONS CHARGED TO LUTHER L. BOST. The SEC has instituted proceedings under the Securities Exchange Act of 1934 to determine whether Luther L. Bost, doing business as L. L. Bost Company, 3328 Greenmount Ave., Baltimore, made fraudulent misrepresentations in the offer and sale of Class A common stock of Publishers Company, Inc. ("Publishers"), and, if so, whether Bost's broker-dealer registration should be revoked and/or whether he should be suspended or expelled 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, in the offer and sale of Publishers stock, Bost "engaged in transactions, practices, and a

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course of business which would and did operate as a fraud and deceit upon the purchasers," in that he made false and misleading representations with respect to certain material facts, including a contract for sale of books between Publishers and a labor union which would result in a profit of \$200,000 to Publishers; a contract between a large mail order house and Publishers; negotiations for a contract between another large mail order house and Publishers, and between the federal government and Publishers; the listing of the Class A common stock of Publishers on an exchange; the number of shares of said stock available for sale; an increase in the price of said stock within three months; absence of risk buying said stock; and the earnings of Publishers for the first two months of 1960.

A hearing will be held, at a date later to be announced, for the purpose of taking evidence on the foregoing matters.

M. I. T. ACQUISITION CLEARED. The SEC has issued an exemption order under the Investment Company Act (Release 40-3092) permitting Massachusetts Investors Trust, Boston Investment Company, to issue its shares for substantially all of the cash and securities of Edgemont Securities Corporation (amounting to about \$10,600,000 on April 30, 1960). Edgemont is a personal holding company with eleven stockholders.

ECONOMIC PLANNING FILES FOR OFFERING. Economic Planning Corporation, 113 West 42nd St., New York, sponsor and distributor of Plans for the accumulation of shares of Knickerbocker Growth Fund, Inc., filed a registration statement (File 2-16885) with the SEC on August 5, 1960, seeking registration of \$10,000,000 of total payments under three types of Plans being offered.

TRAV-LER RADIO PROPOSES DEBENTURE OFFERING. Trav-ler Radio Corporation, 571 West Jackson Boulevard, Chicago, filed a registration statement (File 2-16886) with the SEC on August 5, 1960, seeking registration of \$2,200,000 of 6½% sinking fund debentures due 1975, with 15 year common stock purchase warrants. The company proposes to offer the debentures (with warrants) for public sale at 100% of principal amount of the debentures, and through a group of underwriters headed by Lee Higginson Corporation and Straus, Blosser & McDowell. The underwriting terms are to be supplied by amendment. Two warrants to purchase 50 shares of stock will be issued with each \$1,000 debenture.

The company is engaged in the manufacture and sale of console, table and portable model television receivers, portable and table model radios, transistor radios, electric phonographs, monaural and stereophonic Hi-fidelity phonographs, and television-radio-phonograph combinations and monaural and stereophonic Hi-fidelity tape recorders. Of the net proceeds from the debenture sale, \$922,500 will be used to redeem the outstanding \$900,000 principal amount of 12-year 6% sinking fund debentures due 1967, and the balance will be added to the company's general funds to be used as working capital to carry the increased inventories and accounts receivable resulting from larger sales volume and to reduce accounts payable.

In addition to indebtedness, the company has outstanding 863,061 shares of common stock, of which Joe Friedman, president, owns 265,494 shares and Jeanette Friedman, a director, owns 94,947 shares. The company's officers and directors as a group own 392,150 shares.

INVESTMENT BANKERS OF AMERICA HEARING SCHEDULED. The SEC has scheduled a hearing for September 12, 1960, in its Washington Office in the proceedings under the Securities Exchange Act of 1934 to determine whether to revoke the broker-dealer registration of Investment Bankers of America, Inc., 1522 Connecticut Ave., N. W., Washington, D. C.

In its order of April 8, 1960, authorizing these proceedings, the Commission charged that the said company had violated its net capital, record-keeping and confirmation rules under the Securities Exchange Act of 1934 and that it had engaged in practices constituting "fraud and deceit" upon its customers by effecting transaction for such customers as principal for its own account while representing that it was acting as their agent.

GLEN MFG. FILES FOR OFFERING AND SECONDARY. Glen Mfg. Inc., 320 East Buffalo Street, Milwaukee, Wisconsin, today filed a registration statement (File 2-16887) with the SEC, seeking registration of 125,000 shares of common stock, of which 100,000 shares are to be offered for public sale for the account of the company and 25,000 shares, being outstanding stock, by the present holders thereof. The public offering price will be \$10 per share, such shares to be offered by a group of underwriters headed by Loewi & Co. The underwriting terms are to be supplied by amendment.

In addition, the company is registering 8,500 shares of common stock, of which 6,000 shares are to be offered in exchange for the remaining 300 outstanding common shares of American Junior, Inc., and 2,500 shares in exchange for the remaining 1,000 outstanding common shares of Mary Lester of Southeastern Wisconsin, Inc. The company presently owns 900 shares (75%) of the common stock of American Junior and 10,000 shares (91%) of Mary Lester.

The company manufactures and sells ladies', Misses' and children's apparel as well as decorative covers for bathroom fixtures; and it also operates and franchises stores known as the Mary Lester Stores which retail yard goods, decorating fabrics, notions and miscellaneous sewing supplies. The net proceeds from the sale of 100,000 shares will be added to working capital. Initially the entire proceeds will be used to reduce short term bank loans which aggregated \$2,650,000 on July 25, 1960.

In addition to various indebtedness and 10,000 shares of \$100 par preferred stock, the company has outstanding 412,000 shares of common stock, of which Lester Glen, senior vice-president, owns 100,250 shares and is selling 12,500 shares, and Stanley Glen, president, owns 66,100 shares and is selling 12,500 shares. In addition, Stanley Glen owns 40 outstanding shares of American Junior and 250 outstanding shares of Mary Lester.