

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington 25, D.C.

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

FOR RELEASE October 19, 1960

**FOXBORO CO. FILES FOR OFFERING AND SECONDARY.** The Foxboro Company, 38 Neponset Ave., Foxboro, Mass., filed a registration statement (File 2-17190) with the SEC on October 18, 1960, seeking registration of 211,000 shares of common stock, of which 125,000 shares are to be offered for public sale by the issuing company and 86,000 shares, being outstanding stock, by certain holders thereof. The public offering price and underwriting terms are to be supplied by amendment. Paine, Webber, Jackson & Curtis is listed as the principal underwriter.

The company manufactures industrial instruments for indicating, recording and controlling temperature, pressure, flow, humidity, liquid level and other process variables, primarily for use in the process industries in the manufacture or conversion of raw materials into finished or semi-finished goods. In addition to certain indebtedness, it now has outstanding 2,429,000 shares of common stock. Of the net proceeds of its sale of additional stock, \$500,000 will be used for construction of additional warehouse facilities at the company's Foxboro plant; \$600,000 for construction of plant facilities in East Bridgewater, Mass., for the production of the company's Electronic Control line of instruments; \$500,000 for additional plant facilities for the company's Dutch subsidiary; \$450,000 for the plant facilities of its Canadian subsidiary; and the balance for working capital requirements.

The prospectus lists Benjamin H. Bristol as president and Rexford A. Bristol as executive vice president. They own 25.1% and 20.3%, respectively, of the outstanding stock. The prospectus lists six selling stockholders, five of whom are descendants of Edgar H. Bristol, co-founder of the company, who own 64,000 shares each and propose to sell 10,000 shares each, the sixth being the wife and descendants of Bennet B. Bristol, co-founder, who propose to sell 36,000 of 96,000 shares held.

**VICTOR PAINT FILES FOR OFFERING AND SECONDARY.** Victor Paint Company, 20433 Livernois Ave., Detroit, filed a registration statement (File 2-17191) with the SEC on October 18, 1960, seeking registration of 130,000 shares of common stock, of which 95,000 shares are to be offered for public sale by the issuing company and 35,000 shares, being outstanding stock, by the holder thereof. The public offering price and underwriting terms are to be supplied by amendment. Charles Ployn & Co. is named as the principal underwriter. The selling stockholder, Harold S. Victor, company president, has granted said underwriter a three-year option to purchase an additional 20,000 shares at \$5 per share, which shares also are included in the registration statement.

The company and its subsidiaries operate a chain of twenty retail paint stores in Detroit and surrounding metropolitan area, including Pontiac, Mich. It now has outstanding 205,000 shares of common stock. Net proceeds of the company's sale of additional stock, estimated at \$980,000, will initially become working capital of the company which may be applied to any corporate purpose, but particularly to finance the company's program for opening additional stores in the metropolitan Detroit area, in other areas in Michigan, and in certain other stores, as well as to provide the additional working capital that will thereby be required. The expansion program also includes the possibility of licensing or franchising dealers to handle the company's products at retail, as well as the establishment of a paint manufacturing facility to produce paint for distribution primarily in the company's stores and by its proposed franchised dealers.

All of the 205,000 outstanding shares are owned by Victor, of which 35,000 shares are to be offered for public sale and 20,000 are under option to the underwriter.

**FRISCH'S RESTAURANTS FILES FOR SECONDARY.** Frisch's Restaurants, Inc., 3963 Brotherton Rd., Cincinnati, filed a registration statement (File 2-17193) with the SEC on October 18, 1960, seeking registration of 180,000 outstanding shares of its common stock, to be offered for public sale by the holders thereof through an underwriting group headed by Weathermer & Company. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the business of franchising the operation of restaurants which include the sale of food and related products to such restaurants. Most of the restaurants are of the drive-in type in the states of Ohio, Kentucky, Indiana and Florida. In addition to certain indebtedness, the company has outstanding 450,000 shares of common stock, of which David Frisch, president, and Jack C. Maier, executive vice president, own 374,186 and 45,000 shares, respectively. Of these holdings, Frisch proposes to sell 155,000 shares and Maier 25,000 shares.

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For further details, call WOrth 3-5526

**ABC VENDING CORP. FILES STOCK PLAN.** ABC Vending Corporation, 50-01 Northern Blvd., Long Island City, N.Y., filed a registration statement (File 2-17194) with the SEC on October 18, 1960, seeking registration of 120,000 shares of common stock, to be offered pursuant to the company's Stock Option Plan.

**B & C GAS EXPLORATION FUNDS PROPOSES OFFERING.** B & C Gas Exploration Funds, Inc., 3510 Prudential Plaza, Chicago, filed a registration statement (File 2-17195) with the SEC on October 18, 1960, seeking registration of \$1,000,000 of Co-Ownership participations in its gas and oil exploration fund together with \$500,000 of possible assessments. The interests are to be sold in units of \$10,000. Net proceeds will be utilized during 1961 to acquire undeveloped gas and oil leases for participants in the Fund and to explore for gas and oil thereon. It is planned to acquire and test for participants "favorably located" wildcat and semiproved leases. The Fund will be managed by Breuer & Curran Oil Co., which shall receive for its services an interest equal to 30% of the net working interest of the principals in each lease acquired for the Fund after payment of such lease. The company is a wholly-owned subsidiary of Breuer & Curran Oil Co. G. W. Breuer is listed as president of both companies.

**INTERNATIONAL SHOE FILES STOCK PLAN.** International Shoe Company, 1509 Washington Ave., St. Louis, filed a registration statement (File 2-17192) with the SEC on October 18, 1960, seeking registration of 113,550 shares of common stock, issuable upon exercise of options granted pursuant to the company's Stock Option Plan for Selected Executive and Administrative Employees.

**VIOLATIONS CHARGED TO LINDSAY SECURITIES CORP.** The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Lindsay Securities Corporation, 513 International Trade Mart, New Orleans, La., defrauded investors in the sale of shares of Oil, Gas & Minerals, Inc., and of American Investors Syndicate, Inc., and, if so, whether its broker-dealer registration should be revoked.

Lindsay Securities ("Respondent") has been registered with the Commission as a broker-dealer since January 1959. James A Lindsay is president and principal stockholder. The Commission's order asserts that, during the period November 17, 1958, to March 30, 1960, Respondent and Lindsay offered and sold stock of the two companies in violation of the registration requirements of the Securities Act of 1933.

The order further asserts that, in the offer and sale of such stock, Respondent and Lindsay engaged in acts, practices and a course of business "which would and did operate as a fraud and deceit upon certain persons," in that they made false and misleading representations (a) as to Oil, Gas & Minerals, Inc., with respect to the source of the stock being sold, the use of the proceeds of stock sales, the financial condition of the issuing company, restrictions on the resale of stock, and dividend payments; and (b) as to American Investors Syndicate, Inc., concerning the use of the proceeds of stock sales, the financial condition of the issuing company, and payments by company officers for stock to which they subscribed.

Moreover, according to the order, Respondent failed to make and keep current certain books and records in accordance with rules of the Commission, failed to amend its registration application to reflect certain changes in its executive officers, and failed to amend said registration application to reflect a reduction from 97% to 50% on or before October 15, 1959 in Lindsay's ownership of Respondent's stock.

**REVISION OF REGULATION A-R EXEMPTION PROPOSED.** The SEC today announced a proposal (Release 33-4286) for revision of its Regulation A-R exemption under the Securities Act of 1933 for securities of cooperative housing corporations; and it invited the submission of views and comments thereon not later than November 21, 1960.

Regulation A-R provides an exemption from Securities Act registration for certain notes (not exceeding \$300,000 in amount) secured by a first lien on real estate. The proposed revision of the exemption for first lien notes would effect a consolidation of the four rules comprising Regulation A-R (Rules 230-233) into a single rule designated Rule 234. The new rule would make clear what has been the Commission's long standing interpretation, that the exemption is available only for notes directly secured by a first lien on real estate, and hence is unavailable for collateral trust notes or participations in an underlying note, even though such underlying note is secured by a first lien on real estate, or for investment contracts involved in the offering of first lien notes. The new rule would also provide that the amount of first lien indebtedness for which an exemption would be available could not exceed 75% of the appraised value of the property securing the notes. This would be a liberalization of the present requirement that all indebtedness against the property, whether secured by senior or junior liens, shall not exceed 75% of the appraised value of the property.

The proposed new Rule 235 would provide an exemption for stock or other securities representing membership in a cooperative housing corporation where the securities are issued only in connection with the sale of dwelling units in the housing project and are transferable by the purchaser only in connection with the transfer of such dwelling units.

**DELISTING OF KALAMAZOO STOVE PROPOSED.** The SEC has issued an order (Release 34-6400) giving interested persons until November 4, 1960, to request a hearing upon an application of the Midwest Stock Exchange to strike from listing and registration the capital stock of Kalamazoo Stove & Furnace Company, which is in the process of liquidation.

**DELISTING OF TEMCO AIRCRAFT AUTHORIZED.** The SEC has issued orders (Release 34-6400) granting applications of the Midwest and New York Stock Exchanges to delist the common stock of Temco Aircraft Corporation, whose assets were sold to Ling-Temco Electronics, Inc., pursuant to stockholder approval.

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**UNLISTED TRADING SOUGHT IN LING-TEMCO STOCK.** The SEC has issued an order (Release 34-6400) giving interested persons until November 4, 1960, to request a hearing on an application of the Philadelphia-Baltimore Stock Exchange for unlisted trading privileges in the common stock of Ling-Temco Electronics, Inc.

**CENTRAL MAINE POWER FILES FINANCING PROPOSAL.** Central Maine Power Company, 9 Green St., Augusta, Me., today filed a registration statement (File 2-17196) with the SEC seeking registration of 120,000 shares of common stock and \$6,000,000 of First and General Mortgage Bonds, Series X due 1990. The bonds are to be offered for public sale at competitive bidding. The preferred stock will be offered through underwriters headed by Harriman Ripley & Co., Inc., The First Boston Corporation, and Coffin & Burr, Inc.; and public offering price and underwriting terms are to be supplied by amendment.

According to the prospectus, the company also has entered into an agreement with certain institutional investors providing for the private sale of 50,000 shares of a new series of its Preferred Stock, \$100 par, to be designated the 5.25% Series. Net proceeds of its sale of the preferred and common stock will be used to reduce bank loans expected not to exceed \$12,000,000 at the time of such sale. Net proceeds of the bond sale will be used to pay bank loans then remaining outstanding, and the balance will be used to finance the company's construction program and for other corporate purposes. Proceeds of the bank loans were used for property additions. Construction expenditures for 1960 are currently estimated at \$6,800,000.

**COOK COFFEE FILES FOR SECONDARY.** Cook Coffee Company, 16501 Rockside Road, Cleveland, Ohio, today filed a registration statement (File 2-17197) seeking registration of 100,000 outstanding shares of common stock, to be offered for public sale through an underwriting group headed by Goldman, Sachs & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged principally in the retail and wholesale grocery business. The retail business consists of a chain of 42 supermarkets principally in the Greater Cleveland area under the name "Pick-N-Pay", and 674 home service routes in 11 states. The wholesale business is conducted from three warehouses in northeastern Ohio. The Company also operates two coffee roasting plants, a bakery, a milk and ice cream plant, and a butter making plant in connection with its retail and wholesale grocery operations.

In addition to certain indebtedness, the company has outstanding 1,209,525 common shares of which management officials (including Max Freedman, president) own 24.07%. The prospectus lists three selling stockholders, Jack R. Aron, a director, J. Aron and J. Aron Charitable Foundation, Inc. Their holdings aggregate 210,421 shares, of which 100,000 are to be offered for public sale.

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