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 May 14, 1962

Statistical Release No. 1826. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended May 11, 1962, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1961 - 1962 is as follows:

	1957-59 = 100		Percent	1962	
	5/11/62	5/4/62	Change	High	Low
Composite	127.2*	134.8	-5.6	144.3	127.2
Manufacturing	118.1*	125.2	-5.7	135.0	118.1
Durable Goods	116.4*	123.7	-5.9	135.6	116.4
Non-Durable Goods	119.8*	126.7	-5.4	134.4	119.8
Transportation	98.1*	101.4	-3.3	111.0	98.1
Utility	164.6*	175.4	-6.2	185.5	164.6
Trade, Finance & Service	162.0*	169.4	-4.4	178.2	162.0
Mining	97.4*	102.0	-4.5	113.3	97.4

*New Low

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended May 10, 1962, 30 registration statements were filed, 37 became effective, 4 were withdrawn, 1 was suspended, and 775 were pending at the week-end.

SEC ORDER CITES CHRISTOPHER CORP. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether to revoke the broker-dealer registration of Christopher Corporation, 620 First National Bank Building, Miami, Florida.

The said company ("registrant") has been registered with the Commission as a broker-dealer since December 1956. George J. Langley is president and John K. Coffroth, Jr., is a director. Registrant also is a member of the National Association of Securities Dealers, Inc.; and one of the issues in such proceedings is whether it also should be suspended or expelled from NASD membership.

According to the Commission's order, registrant was enjoined by Federal court order (USDC SD Fla.) on January 5, 1959, upon its consent, from further violations of the Commission's net capital rule; and on January 12, 1962, Coffroth pleaded guilty in the same court to an indictment charging violation of the Securities Act registration requirement in the offer and sale of Columbus-Rexall Oil stock (he received a $200 fine and was placed on two years' probation).

In its order, the Commission recites charges of its staff that information developed in an investigation tends to show that during the period October 1959 to July 1960, registrant, together with or aided and abetted by Langley and Coffroth: (1) offered and sold securities of Precision Corporation in violation of the Securities Act registration requirement and (2) violated provisions of Commission rules under the Securities Exchange Act, in that they (a) effected, with or for the accounts of customers, transactions in, and induced the purchase and sale by such customers of, Precision securities, but failed to provide written notification (confirmation) disclosing the capacity in which registrant acted in such transactions; (b) effected such transactions and induced such purchases and sales, as aforesaid, when registrant and Precision were under control of Langley and without disclosure of such common control; and (c) while registrant was acting for customers for for both customers and some other person, similarly effected such transactions and induced such purchases and sales at a time when registrant was participating in or otherwise financially interested in the distribution of Precision securities, without disclosure of such participation or interest.

The staff further charges that, in the offer and sale of Precision securities, registrant, Langley and Coffroth engaged in "practices and a course of business which would and did operate as a fraud and deceit" upon the purchasers, in that they (1) engaged in the foregoing activities; (2) induced certain purchasers of Precision securities to sign letters purporting to state an intention to hold such securities for investment purposes in an attempt to, and as a part of a scheme to, evade the registration requirements of the Securities Act; (3) accepted a substantial sum of money from a customer for the purchase of Brownlee Corp. stock but failed to purchase such stock and instead delivered (much later) shares of Langley-owned Precision stock for a portion of the customer's money and Langley's personal note for the balance, even though Langley and Coffroth knew that Precision was in poor financial condition (Langley's personal note has remained unpaid); and (4) engaged in other and related activities. Also, that Langley offered and sold personally-owned Precision stock to a purchaser in December 1959 but failed to make delivery of the shares (despite repeated demands therefor) until October 1960, and made false and misleading representations with respect to the stock to such purchaser.

In addition, the staff charges various other violations by registrant of the Commission's net capital, record-keeping and financial reporting requirements. (NOTE: Copies of foregoing available in SEC Miami Branch Office).

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TRADING SUSPENSION IN TWO STOCKS CONTINUED. The SEC has issued orders under the Securities Exchange Act continuing the ban on trading in the Class A stock of Automated Procedures Corp. on The National Stock Exchange and in the common assessable stock of Industrial Enterprises, Inc., on the San Francisco Mining Exchange (as well as in the over-the-counter market with respect to both issues) for an additional ten-day period May 15 to 24, 1962, inclusive.

RIFKIN & CO. HEARING POSTPONED. On the request of counsel for S. H. Rifkin & Co., Inc., 175 West 73d St., New York, the SEC has authorized a postponement from May 14 to June 11, 1962, of the hearing in proceedings under the Securities Exchange Act to determine whether to revoke that firm's broker-dealer registration.

SUBURBAN GAS SEEKS EXEMPTION ORDER. Suburban Gas, of Pomona, Calif., has applied to the SEC for an order exempting it and its subsidiaries from all provisions of the Holding Company Act on the ground that Suburban Gas "is only incidentally a holding company;" and the Commission has issued an order (Release 35-14636) giving interested persons until May 29, 1962, to request a hearing thereon. Suburban Gas, through 150 subsidiaries, is engaged in selling and distributing propane, and in some instances butane, at retail and wholesale. The subsidiaries are organized in 13 different States, each conducting its operations in the State of its incorporation. More than half of the subsidiaries carry on their operations in the western States of Arizona, California, Oregon, and Washington, the remaining companies having their operations in nine other States. As at December 31, 1961, the consolidated assets of Suburban Gas and subsidiaries, per books, were $22,209,313.

MILWAUKEE GAS LIGHT FINANCING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-14637) authorizing Milwaukee Gas Light Company to issue and sell $15,000,000 of first mortgage bonds due 1987 at competitive bidding, and to issue and sell an additional 500,000 shares of common stock to its parent, American Natural Gas Company, for $6,000,000, or $12 per share. Of the proceeds, Milwaukee Gas will use $20,000,000 to pay its short-term notes to banks due June 1962 and the balance will be added to treasury funds.

INVESTMENT MANAGEMENT CORP. FILES FOR RIGHTS OFFERING. Investment Management Corporation, 818 Seventeenth Street, Denver, Colo., filed a registration statement (File 2-20359) with the SEC on May 10th seeking registration of 100,000 shares of common stock. It is proposed to offer such stock for subscription at $2.50 per share by common stockholders at the rate of two new shares for each share held. The record date is to be supplied by amendment. Unsubscribed shares are to be offered for public sale at $3.50 per share and any salesmen employed by the company to sell such shares will receive a 45¢ per share selling commission. The statement also includes (1) 25,999 shares to be offered at $3.50 per share to selected sales personnel pursuant to restricted stock options, and (2) 23,000 shares underlying restricted stock options held by officers.

The company's business consists of the management of Western Industrial Shares, Inc., a mutual fund, and the distributorship of shares of that Fund and of Western Fund Plan Certificates for the accumulation of Fund shares. The $384,296.25 proceeds from the stock sale will be used to repay loans to Edward Mabey, president ($23,000), and the balance for general corporate purposes including payment of general administrative expenses. According to the prospectus, the expenses incurred by the company in carrying out its duties as manager have considerably exceeded the company's management fee and are expected to continue to exceed such fee until the Fund becomes substantially larger; and the company has also lost money in performing its functions as distributor of Fund shares and of Western Fund Plan Certificatesand is expected to continue to operate at a loss for some period of time. The prospectus reflects a net loss of $23,815.57 for the five months ended February 28, 1962 and an accumulated deficit of $228,437.49 at the end of said period. According to the prospectus, the sale of Fund shares and Western Fund Plan Certificates have been handicapped by the lack of trained sales personnel and the lack of a performance record for the Fund, both of which are said to have been partially overcome. As of January 31, 1962, the company had in its employ 160 part-time sales personnel and 3 full-time sales personnel including officers engaged in this capacity.

The company has outstanding 51,001 shares of common stock, of which Mabey owns 23.5% (and options to acquire an additional 15,000 shares) and management officials as a group 40.45%. In addition, Mabey owns 9.3% of the outstanding stock of the Fund and management officials as a group 20.5%. Mabey is president of the Fund, and certain other officers of the company are also officers of the Fund. Sale of new stock will result in an increase in the book value of stock now outstanding from 22.7¢ to $2.31 per share, with a resulting dilution of $1.19 per share in the book equity of stock purchased by the public.

TRONCHEMICS RESEARCH FILES FOR STOCK OFFERING. Tronchemics Research Incorporated, 7620 Lyndale Ave. South, Minneapolis, Minn., filed a registration statement (File 2-20360) with the SEC on May 10th seeking registration of 400,000 shares of common stock, to be offered for public sale at $1 per share by J. M. Dain & Co., Inc., on an all or none basis. The underwriting terms are to be supplied by amendment.

The company (formerly Chemtronics Research Incorporated) was organized under Minnesota law in January 1962 for the purpose of engaging in research and development, and in the manufacture of products, in the fields of data processing by electronic and other methods, process control and chemical and food processing. The company is a new venture and to date its operations have resulted in no contracts and have produced no revenue. The $379,000 estimated net proceeds from the stock sale, together with $100,000 received from the initial sale of 100,000 shares to founders and $100,000 from the sale of 6% convertible debentures, will be used for research and development ($125,000), for capital equipment, furniture, office equipment and leasehold improvement, for advertising and promotion and remuneration of officers, and for working capital.

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In addition to certain indebtedness, the company has outstanding the 100,000 shares of common stock, of which Armin P. Buetow, a director, and Leroy F. Stutzman, president, own 20% and 15%, respectively, and management officials as a group 60%. In addition, the underwriter and Northwest Growth Fund, Inc. own 20% each. Northwest also holds the debentures and three of its directors are also directors of the company. Stutzman holds 5-year options to purchase an additional 18,000 shares at $1.10 per share.

GENERAL TIRE & RUBBER FILES PROFIT-SHARING PLAN. The General Tire & Rubber Company, 1708 Englewood Ave., Akron, Ohio, filed a registration statement (File 2-20361) with the SEC on May 11th seeking registration of $5,900,000 of participations in its Profit-Sharing Plan for Salaried Employees, and 212,613 shares of common stock which may be acquired pursuant thereto.

BRAUN ENGINEERING FILES FOR FINANCING AND SECONDARY. Braun Engineering Co., 19001 Glendale Avenue, Detroit, Mich., filed a registration statement (File 2-20362) with the SEC on May 11th seeking registration of $400,000 of 6½% sinking fund subordinated debentures due 1974 (with attached warrants to purchase 20,000 common shares), to be offered for public sale in $1,000 units and at 100% of principal amount. The statement also includes 109,990 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 9,990 shares, being outstanding stock, by the holders thereof. Watling, Lerchen & Co., Ford Bldg., Detroit, heads the list of underwriters. The public offering price for the common shares (maximum $9 per share*) and underwriting terms for both issues are to be supplied by amendment.

The company produces automotive parts manufactured by the cold extrusion method, including spark plug shells, switch housings, piston pins, idler arm brackets and tappets. It also manufactures lock nuts for electrical use and certain aluminum parts by the cold extrusion method. Of the $1,075,000 estimated net proceeds from the company's sale of debentures and additional common stock, together with the proceeds of a $500,000 bank loan, $900,000 will be used to pay in full obligations owing to James Talcott, Inc., $65,000 to pay a note held by National Bank of Detroit, $200,000 (together with $50,000 on deposit) to purchase for $500,000 (the balance subject to a mortgage) the land and building presently occupied as the main office and plant of the company, $75,000 to pay the balance owed on additional manufacturing equipment, and the balance for working capital. Said loans from Talcott were incurred (in the aggregate amount of $963,053.66) to enable the company, among other things, to acquire in December 1961 for $700,000 in cash, 50% of its then outstanding stock owned by Allied Products Corporation.

In addition to certain indebtedness, the company has outstanding 13,104 common and 151,479 Class B common shares (after giving effect to a recent recapitalization) of which Frederick W. Braun, board chairman, and Alfred Braun, president, each owns 38.08% of the common and 45.04% of the Class B shares. In addition, Robert W. Hanson, a vice president, and his wife, own 23.76% of the outstanding common. The Brauns propose to sell all of their holdings of common stock, aggregating 9,990 shares.

ILLINOIS BELL TELEPHONE PROPOSES RIGHTS OFFERING. Illinois Bell Telephone Company, 212 W. Washington Street, Chicago, filed a registration statement (File 2-20363) with the SEC on May 11th seeking registration of 3,771,577 shares of common stock. It is proposed to offer such stock for subscription at $20 per share by stockholders at the rate of one new share for each 10 shares held of record on May 29, 1962. No underwriting is involved. American Telephone and Telegraph Company, which owns 37,459,187 shares (99.32%) of the outstanding stock of the company, intends to subscribe for the 3,745,918 shares which represent its pro rata portion of the offering. The $75,250,000 estimated net proceeds from the stock sale will be applied toward repayment of advances from the parent, for general corporate purposes, including extension, additions and improvements to telephone plant. Construction expenditures for 1961 were about $171,000,000, and it is anticipated that for 1962 they will be about $190,000,000.

SCHLUMBERGER FILES FOR SECONDARY. Schlumberger Limited (Schlumberger N.V.), 408 Bank of the Southwest Bldg., Houston, filed a registration statement (File 2-20364) with the SEC on May 11th seeking registration of 700,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Morgan Stanley & Co., 2 Wall Street, New York. The public offering price (maximum $80 per share*) and underwriting terms are to be supplied by amendment.

The company (organized under the laws of the Netherlands Antilles) provides electrical logging and related services in connection with the drilling and operations of oil and gas wells. In addition, it designs and manufactures electronic and electro-mechanical equipment, components and systems, such operations having been recently expanded by the company's recent acquisition of Daystrom, Incorporated. In addition to certain indebtedness, the company has outstanding 5,333,587 shares of common stock, of which management officials as a group own about 9%. H. G. Doll is board chairman and Pierre Schlumberger is president. In addition, the descendants of Conrad and Marcel Schlumberger, founders of the company, spouses of such descendants and trusts created for the benefit of such descendants own an aggregate of about 66.3% of the company's outstanding stock. The prospectus lists 23 such descendants (including trustees of trusts for the benefit of some of them) who propose to sell the 700,000 shares, including Jeanne (Mrs. Marcel) Schlumberger, Sylvie Boissonnas, and Pierre Schlumberger, who own 243,863, 365,175 and 403,385 shares, respectively. They propose to sell 150,000, 103,250 and 100,000 shares, respectively; and others propose to sell amounts ranging from 1,000 to 98,000 shares. After such sale, the selling stockholders and other members of the Schlumberger family will own in the aggregate, directly or indirectly, about 53% of the outstanding stock of the company.

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SIERRA PACIFIC POWER PROPOSES BOND OFFERING. Sierra Pacific Power Company, 220 South Virginia Street, Reno, Nevada, filed a registration statement (File 2-20365) with the SEC on May 11th seeking registration of $5,000,000 of first mortgage bonds due 1992, to be offered for public sale at competitive bidding. The net proceeds from the bond sale will be applied to the payment of outstanding bank loans (estimated at $3,400,000) incurred for construction purposes, and the balance for new construction. The company estimates that such expenditures for 1962 will be about $11,660,000.

REGULATION A PROCESS. In a 130-page article in the "New York Law Forum" for March 1962 entitled "Highways and Byways," Ezra Weiss, Chief, Branch of Interpretations and Small Issues, in the Commission's New York Regional Office, undertakes a review and analysis of the process for the qualification of securities for exemption from registration under the Securities Act of 1933 pursuant to the Commission's Regulation A under Section 3(b) of that Act. For copies, write New York Law Forum, New York Law School, 244 William Street, New York 38, N. Y. (Price: $2.50 per copy).

SECURITIES ACT REGISTRATIONS. Effective May 14: Chenango & Unadilla Telephone Corp. (File 2-20125); Columbus & Southern Ohio Electric Co. (File 2-20236); Cut & Curl, Inc. (File 2-19486); Gould Properties, Inc. (File 2-19706); La Maur, Inc. (File 2-20007); Medical Securities Fund, Inc. (File 2-19203); Utah Power & Light Co. (File 2-20176). Withdrawn May 14: Narrows Premium Corp. (File 2-18964).

*As estimated for purposes of computing the registration fee.

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