

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 December 5, 1962

ALASKA-NORTH AMERICAN INVESTMENT SEEKS ORDER. The Alaska-North American Investment Company, Washington, D.C., has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company; and the Commission has issued an order (Release IC-3582) giving interested persons until December 26, 1962 to request a hearing thereon. According to the application, in May 1962 all of the company's assets were transferred to Shares in American Industry, Inc. pursuant to a merger agreement, and as of November 14, 1962, all but 64 shareholders of the company (owning 6,935 shares) had exchanged their holdings for shares of American Industry. Moreover, the application states that the company has ceased to act as an investment company as of the date of the merger, and all its debts and obligations were assumed by American Industry.

EXCHANGE CAPITAL CORP. SEEKS ORDER. Exchange Capital Corporation, Chicago, has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company; and the Commission has issued an order (Release IC-3583) giving interested persons until December 26, 1962 to request a hearing thereon. According to the application, the company's outstanding securities are beneficially owned by 20 persons, and it does not intend to make a public offering of its securities. One of such shareholders is Exchange National Bank of Chicago (with 526 shareholders) which is said to have invested in the company a sum constituting less than 5% of its total assets; and the company represents that National's interest should be considered beneficial interest by only one person for purposes of its requested exemption under the Act (which requires ownership by not more than 100 persons for such exemption).

DU PONT DE NEMOURS SEEKS ORDER. E. I. du Pont de Nemours and Company, Wilmington (29% owned by Christiana Securities Co., a registered closed-end investment company), has applied to the SEC for an order under the Investment Company Act approving its purchase from Stauffer Chemical Company of 130.06 acres of unimproved land located in Davidson County, Tenn. for an aggregate of \$123,557; and the Commission has issued an order (Release IC-3584) giving interested persons until December 26th to request a hearing thereon. According to the application, the company proposes to acquire the property to provide for possible future expansion of its production facilities and to prevent problems that might arise if a third party were to acquire the property and develop a recreation area thereon so near to its present properties (for which purpose a portion of the tract is said to be suitable).

CAPITAL EXPENDITURES UP. The SEC and the Department of Commerce announces (for December 6th Newspapers) that business investment in new plant and equipment rose to a record \$38-1/3 billion annual rate, after seasonal adjustments, in the third quarter of 1962. Reports by businessmen indicate that the third quarter rate will be maintained in the fourth quarter and drop slightly in the first quarter of 1963 to \$37 3/4 billion annual rate. (For details, see Stat Release No. 1867)

RAY EISENMAN SENTENCED. The SEC Atlanta Regional Office announced November 30th (LR-2445) that Ray Eizenman (a/k/a Mrs. Martin Lemlich) of Miami received a three year prison sentence on her plea of guilty to charge of securities fraud, to be served concurrently with State Court sentence.

GOTHAM EDUCATIONAL EQUIPMENT CO. FILES FOR STOCK OFFERING. Gotham Educational Equipment Company, Inc., 91 Weyman Avenue, New Rochelle, New York, filed a registration statement (File 2-20933) with the SEC on December 4th seeking registration of 75,000 shares of common stock, to be offered for public sale through underwriters headed by Federman, Stonehill & Co., 70 Pine Street, New York. The public offering price (maximum \$6 per share*) and underwriting terms are to be supplied by amendment. The statement also includes 20,000 common shares underlying 15,000 6-year warrants issued to the underwriter and 5,000 warrants issued to Melvin M. Desser, the finder, exercisable at a price to be supplied by amendment.

The company is engaged in the design, manufacture, fabrication and marketing of items used principally in educational institutions such as chalkboards, corkboards, exhibit cases, display cases and other related items. It also produces ping pong tables and is entering into the sale of pocket billiard tables. Of the net proceeds from the stock sale, \$150,000 will be used to repay bank loans incurred to install porcelain enamelling equipment and to finance increased inventory and payroll, and the balance for additional working capital primarily to finance raw materials, labor and other elements of finished products inventory. In addition to certain indebtedness, the company has outstanding 250,000 shares of common stock, of which Morris L. Miller, president, and Robert N. Greenfield, board chairman, own 50% each. Book value of stock now outstanding is \$3.62 per share.

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EASTERN UTILITIES ASSOCIATES SEEKS ORDER. Eastern Utilities Associates, Boston registered holding company, and its utility subsidiaries, Blackstone Valley Gas and Electric Company and Valley Gas Company, have applied to the SEC for an order under the Holding Company Act authorizing the sale by the subsidiaries of notes to banks and the acquisition by Eastern of certain notes of Blackstone; and the Commission has issued an order (Release 35-14760) giving interested persons until December 20, 1962 to request a hearing thereon. According to the application, Blackstone proposes to borrow from time to time (from banks and Eastern) an aggregate of \$6,200,000 (not in excess of \$1,000,000 from Eastern), and Valley proposes to borrow from time to time (from banks) an aggregate of \$900,000. The proceeds from such borrowings will be used by Blackstone and Valley to pay when due their outstanding short-term notes which are expected to be outstanding in the aggregate amounts of \$5,400,000 (including \$1,000,000 due Eastern) and \$500,000, respectively, at December 28, 1962, and to meet cash requirements for construction expenditures during the period ending December 1963.

AMERICAN SMELTING AND REFINING FILES STOCK PLAN. American Smelting and Refining Company, 120 Broadway, New York, filed a registration statement (File 2-20934) with the SEC on December 4th seeking registration of 150,000 shares of common stock, to be offered pursuant to its Restricted Stock Option Plan.

SECURITIES ACT REGISTRATIONS. Effective December 4: Industrial Development Bank of Israel Limited (File 2-20741). Effective December 5: San Diego Imperial Corp. (File 2-20786); Telephone Employees Life Insurance Co. (File 2-20878). Withdrawn November 30: Manna Real Estate Investment Trust (File 2-20695). Withdrawn December 3: Kaufman Carpet Co., Inc. (File 2-20090); Prosperity Cleaners & Launderers, Inc. (File 2-20373). Withdrawn December 4: Four Star Sportswear, Inc. (File 2-20059); Unilux, Inc. (File 2-20458).

*As estimated for purposes of computing the registration fee.

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