

# 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 July 17, 1961

Statistical Release No. 1766. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended July 14, 1961, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1961 is as follows:

|                          | 1957-59 = 100 |        | Percent<br>Change | 1961  |       |
|--------------------------|---------------|--------|-------------------|-------|-------|
|                          | 7/14/61       | 7/7/61 |                   | High  | Low   |
| Composite                | 131.9         | 132.9  | -0.8              | 136.3 | 118.3 |
| Manufacturing            | 124.4         | 125.4  | -0.8              | 128.8 | 113.0 |
| Durable Goods            | 125.4         | 126.5  | -0.9              | 132.1 | 117.0 |
| Non-Durable Goods        | 123.4         | 124.4  | -0.8              | 125.9 | 109.2 |
| Transportation           | 102.8         | 105.5  | -2.6              | 109.4 | 97.8  |
| Utility                  | 165.5         | 165.8  | -0.2              | 173.0 | 144.4 |
| Trade, Finance & Service | 158.2         | 159.4  | -0.8              | 159.4 | 132.5 |
| Mining                   | 93.2          | 95.1   | -2.0              | 99.5  | 83.3  |

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended July 13, 1961, 15 registration statements were filed, 37 became effective, 2 were withdrawn, and 500 were pending at the week end.

VIOLATIONS CHARGED TO TELESCRIPT-CSP. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by Telescript-CSP, Inc., of 155 West 72nd Street, New York.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed in December 1960, Telescript proposed the public offering of 60,000 common shares at \$5 per share. The Commission asserts in its suspension order that Telescript failed to disclose an affiliate in its notification; that its offering circular was false and misleading in respect of certain material facts; and that the offer and sale of stock violated the anti-fraud provision (Section 17) of the Securities Act. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Organized under New York law in 1957, the company designs, assembles, leases and sells audio-visual communication equipment. Its offering circular names Peter T. Jackson as president; and he and two other individuals owned 23,100 shares each and Mangrow Industrial Corporation 70,000 shares of the 140,000 then outstanding shares. The Commission's order asserts that the company's offering circular is false and misleading in its reference to 16 named individuals said to be in control of Mangrow when only certain individuals in the group exercised control, and by reason of the failure to disclose (1) that Federman, Stonehill & Co. exercised a controlling interest in Telescript (in which it owned a 50% stock interest) and Mangrow; (2) a previous material transaction under which the voting rights of Mangrow shareholders had been changed; and (3) that Michael Rosen, Joseph Michalover, David Dawn, Harold Sporn and Stephen Hofman (5 of the 16 individuals) were limited partners of Federman, Stonehill & Co., whose general partner, Hyman Federman, had been controlling stockholder in Mangrow and a director of Telescript. (Copies of foregoing also available in New York Regional Office).

GRANITE CITY GENERATING RECEIVES EXTENSION. The SEC has issued an order under the Holding Company Act (Release 35-14478) granting a request of Granite City Generating Company, of Chicago, for an extension to April 5, 1962, for the consummation of transactions authorized by Commission order of May 24, 1961 (Release 35-14449) involving the proposed sale of its properties to Granite City Steel Company and related transactions, to be followed by the dissolution of the Generating Company.

PARELLA HEARING POSTPONED. The SEC has authorized a postponement from July 17 to August 1, 1961, of the hearing in its New York Regional Office on the question whether to vacate or make permanent an order temporarily suspending a Regulation A exemption from Securities Act registration with respect to a proposed public offering of securities by Anthony Parella, as "The Whole Darn Shooting Match" Company, of New York City.

ROSS PRODUCTS FILES FOR OFFERING AND SECONDARY. Ross Products, Inc., 1107 Broadway, New York City, filed a registration statement (File 2-18501) with the SEC on July 14th seeking registration of 200,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 100,000 shares, being outstanding stock, by the holders thereof. Blair & Co. and F. L. Rossman & Co., the underwriters, will offer the stock on an all or none basis. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 20,000 outstanding common shares sold by the former holders thereof to the two underwriters and to Fisher, Gleiberman & Ezrine at \$4.25 per share.

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The company is engaged in the business of importing and distributing a line of popularly-priced merchandise suitable for retail sale by variety, supermarket and drug chains, department stores, discount and mail order houses and specialty chains. Of the net proceeds from the company's sale of additional stock, \$300,000 will be used for the carrying of increased accounts receivable resulting from anticipated increased volume, approximately \$150,000 will be applied to the liquidation of letters of credit heretofore used to purchase additional inventories needed for expanded operations, approximately \$175,000 will be allocated to the cost of engineering and automation of a newly-constructed Port of New York Authority warehouse at Port Newark, New Jersey leased by the company and the opening of additional warehousing facilities in the Middle West and Pacific Coast areas, approximately \$50,000 will be utilized to open an additional warehousing and distribution facility in Dallas and a new sales office in Atlanta, and the balance of approximately \$76,500 will be used for general corporate purposes.

The company has outstanding 515,000 shares of common stock, of which Hyman Ross, president, and Alexander Mintz, executive vice president, own 240,000 shares each and propose to sell 50,000 shares each.

**REVLON FILES STOCK PLAN.** Revlon, Inc., 666 Fifth Avenue, New York, filed a registration statement (File 2-18502) with the SEC on July 14th seeking registration of 462,496 shares of common stock, to be offered to employees pursuant to the company's Executive Stock Option Plan.

**MIDWEST TECHNICAL DEVELOPMENT FILES FOR STOCK OFFERING.** Midwest Technical Development Corporation, 2615 First National Bank Bldg., Minneapolis, Minn., filed a registration statement (File 2-18503) with the SEC on July 14th seeking registration of 800,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Lee Higginson Corp. and Piper, Jaffray & Hopwood. The public offering price and underwriting terms are to be supplied by amendment.

The company is registered under the Investment Company Act of 1940 as a closed-end non-diversified management investment company. Its primary purpose is seeking out and acting upon investment opportunities in young or new companies believed by the management to be working on the technological frontier. The net proceeds from the stock sale will be used for general corporate purposes and invested in accordance with the company's investment policy. Technical Management Corporation is listed as the company's investment adviser and manager.

The company had outstanding on May 31st 1,123,000 shares of common stock, of which management officials as a group own 4.27%. A. J. Ryden, Jr. is listed as president of the company and its manager. The management company was formed for the principal purpose of acting as investment adviser and manager of the Fund. Ryden owns 20% of its stock and two other officers own 15% each.

**MIDWEST INVESTORS FUND PROPOSES OFFERING.** Midwest Investors Fund, Inc., 1815 First National Bank Bldg., Minneapolis, Minn., today filed a registration statement (File 2-18505) with the SEC seeking registration of 5,000,000 shares of common stock. The Fund was organized in May 1961. Midwest Planned Investments, Inc., will serve as principal underwriter and investment adviser. The sales charge will range from 1.5% to 8.5% depending upon the size of the investment. The policy of the Fund will be to invest in common stocks of companies "believed by the management to possess better than average prospects for long-term growth...." The prospectus lists Herbert W. Rogers as board chairman and Robert M. Skare as president. Four of the officers and directors of the Fund (including Skare) are officers and directors of the adviser-distributor.

**COMBUSTION ENGINEERING FILES STOCK PLAN.** Combustion Engineering, Inc., 200 Madison Avenue, New York, filed a registration statement (File 2-18504) with the SEC on July 14th seeking registration of 164,000 shares of capital stock, to be offered to officers and key personnel pursuant to the company's 1959 Restricted Stock Option Plan.

**DIVERSIFIED WIRE AND STEEL FILES FOR STOCK OFFERING.** Diversified Wire and Steel Corporation of America, 3525 East 16th Street, Los Angeles, today filed a registration statement (File 2-18506) with the SEC seeking registration of 100,000 shares of Class A common stock, to be offered for public sale at \$4 per share. The offering will be made through underwriters headed by V. K. Osborne & Sons, Inc., which will receive a 44¢ per share commission and \$8,000 for expenses. The registration statement also includes 12,000 outstanding Class A shares sold by the former holders thereof to V. K. Osborne and 2,000 shares to Robert Vulcan and Solomon Cohen, finders, all at \$1 per share, and 12,000 outstanding shares which underlie a 135-day option granted to Osborne, by present shareholders, exercisable at \$4 per share.

The company (formerly Sudy Spring Co.) is the successor by merger in July 1961 with Manufacturers Wire Corp. The company's activities consist primarily of the manufacture and sale of cold drawn steel wire and the manufacture and sale of furniture springs and related products. The net proceeds from the stock sale will be applied to reduction of accounts payable, payment of outstanding notes and contracts payable, acquisition of and improvements on real property, and for equipment and additional working capital.

In addition to certain indebtedness, the company has outstanding 26,000 shares of Class A and 112,000 shares of Class B common stock, of which Sidney Sudy, president, owns 11.54% and 24.50%, respectively, and Edward Nobler 17.31% and 36.50%, respectively. Management officials as a group own 30.29% and 54.13%, respectively, of the Class A and Class B shares.

**ANACONDA LEAD & SILVER ENJOINED.** The SEC Denver Regional Office announced July 13th (LR-2059) entry of a Federal court order (USDC Colo.) permanently enjoining Anaconda Lead and Silver Company and its officers, agents and employees from further violating the anti-fraud provisions of the Federal securities laws. Howard Pierce Waite was previously enjoined on default.

**SECURITIES ACT REGISTRATIONS.** Effective July 17: Capital Southwest Corp. (File 2-18081); Dumas Milner Corp. (File 2-18175); Morgan Guaranty Trust Company of New York, ADR's of Associated British Foods Limited (File 2-18260); Union Electric Co. (File 2-18352). Withdrawn July 17: The One Maiden Lane Fund, Inc. (File 2-17940).