

NEWS DIGEST

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



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FOR RELEASE January 11, 1962

INTERSTATE VENDING FILES FOR SECONDARY AND STOCK PLAN. Interstate Vending Company, 251 East Grand Avenue, Chicago, filed a registration statement (File 2-19622) with the SEC on January 10th seeking registration of 53,829 outstanding shares of common stock, to be offered for public sale by the holders thereof on an all or none basis through underwriters headed by Bear, Stearns & Co. The public offering price and underwriting terms are to be supplied by amendment. The statement also includes (1) 100,000 shares to be offered pursuant to the company's Employees Amended 1960 Stock Option Plan, and (2) 1,974 outstanding shares to be sold by one of the selling stockholders to 11 persons at varying prices in satisfaction of certain obligations of the stockholder.

The company is engaged primarily in selling a variety of products through coin-operated vending machines which it owns, or leases from a non-affiliated corporation, and installs and services. Through acquisitions in early 1961 it entered the field of industrial catering, primarily in the New England area, and through its acquisition in October 1961 of The Brass Rail, Inc., in a diversified food service business in metropolitan New York. The company also designs and manufactures for its exclusive use a line of coffee, tea, soda and other beverage vending machines. In addition to certain indebtedness, the company has outstanding 2,129,528 shares of common stock, of which management officials as a group own 22.27%. The prospectus lists 12 selling stockholders including Keystone Vending Company and Leon Savage, a director, who own 57,500 and 72,155 shares, respectively, and propose to sell 12,000 and 20,000 shares, respectively. Others propose to sell amounts ranging from 200 to 5,925 shares. Ronald Wolff is president and Cyril Chappellet is board chairman.

STRAND INVESTMENT REGISTRATION REVOKED. The SEC today announced the issuance of an order under the Securities Exchange Act (Release 34-6705) revoking the broker-dealer registration of Strand Investment Company, of 16 Exchange Place, Salt Lake City, for violation of the Commission's net capital rule under that Act. Between July 20 and 30, 1960, according to the order, Strand Investment effected transactions in securities when it had a net capital deficiency of \$113,674 as computed under the rule. Elmer E. Strand, president, aided and abetted the company in such violation of the rule. In August 1960 the company consented to a permanent injunction against violating the rule.

DUE DATE FOR RULE COMMENTS EXTENDED. The SEC has extended from January 12 to January 26, 1962, the due date for comments upon its proposal for amendment of Rules 31a-1 and 31a-2 under the Investment Company Act and to adopt a new Rule 31a-3 under that Act, all relating to the maintenance and preservation of books and records by registered investment companies (Release IC-3404).

TWO STOCKS DELISTED. The SEC has issued orders granting applications of the New York and Midwest Stock Exchanges, respectively, to delist the second preferred stock of Hayden Newport Chemical Corporation and the common stock of La Salle Extension University, effective at the close of trading January 26th (Release 34-6706).

DELISTING PROPOSED. The SEC has issued an order (Release 34-6706) giving interested persons until January 26th to request a hearing upon an application of the Pittsburgh Stock Exchange to delist the common stock of United States Diversified Industries, Inc., because of unacceptable financial statements.

UNLISTED TRADING SOUGHT. The Boston Stock Exchange has applied to the SEC for unlisted trading privileges in the common stocks of Laboratory for Electronics, Inc., and Pan American Sulphur Company, and the Philadelphia-Baltimore Stock Exchange has applied for such privileges in the common stocks of Litton Industries, Inc., and San Diego Imperial Corp.; and the Commission has issued orders (Release 34-6706) giving interested persons until January 26th to request hearings thereon.

UNLISTED TRADING GRANTED. The SEC has granted an application of the Pacific Coast Stock Exchange for unlisted trading in the common stock of Ling-Temco Vought Inc.

JOHN VAN ALLEN PLEADS GUILTY. John Van Allen of New York entered a plea of guilty on December 21st (USDC SDNY) to 123 counts of indictment returned in March 1960 charging him and others with violations of the Securities Act registration and anti-fraud provisions in the sale of Gulf Coast Leaseholds stock (Lit-2172).

SEC COMPLAINT NAMES N A HART & CO. The SEC New York Regional Office announced January 8th (Lit-2173) the filing of a complaint (USDC SDNY) seeking to enjoin N. A. Hart & Company, of Bayside, N. Y., and Norbert A. Hochschartner and Milton Cramer, partners, from further violating the anti-fraud, net capital and book-keeping provisions of the Securities Exchange Act and rules thereunder. Temporary restraining order of court prohibits dissipation of defendants' assets.

SECURITIES ACT REGISTRATIONS. Effective January 11: Dixie Dinettes, Inc. (File 2-19038); Interphoto Corp. (File 2-18904); Rocket Power, Inc. (File 2-18926); Winchell Donut House, Inc. (File 2-18969).