

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington, D.C. 20549

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

(Issue No. 67-26)

FOR RELEASE February 9, 1967

**COLUMBIA GAS SEEKS ORDER.** The Columbia Gas System, Inc. (Columbia), and its gas-utility subsidiary, Columbia Gas of Kentucky, Inc. (Kentucky), have applied to the SEC for an order under the Holding Company Act authorizing Kentucky to acquire the assets and liabilities of Limestone Gas Co., a nonassociate gas-utility company, in exchange for common stock of Columbia. The Commission has issued an order (Release 35-15656) giving interested persons until March 2 to request a hearing thereon. According to the application, Kentucky will acquire the assets of Limestone in exchange for 37,000 shares of common stock of Columbia, subject to adjustment, and such additional number of common shares of Columbia as, at the fair market value on the closing date (currently selling about \$27 per share on the New York Stock Exchange), shall equal the redemption price (\$10.50 per share) of the Limestone preferred stock held by persons who elect to exchange their preferred shares for common stock of Columbia, plus accumulated dividends thereon to the date of closing. A total of 1,500 shares of preferred stock is outstanding, and preferred stockholders of Limestone not desiring to participate in the exchange offer will have their shares redeemed by Limestone out of its assets. To enable Kentucky to make the proposed acquisition, Columbia will deliver the requisite number of shares of its common stock to Kentucky in exchange for common stock of Kentucky in an aggregate par amount equal to the book value of the net assets of Limestone to be acquired.

**WALTER ALAN TSCHIRGI SENTENCED.** The SEC Seattle Regional Office announced February 3 (LR-3643) that Walter Alan Tschirgi was sentenced to a three years' imprisonment on each of two counts of an indictment charging him with violations of the Securities Act anti-fraud provisions in the sale of securities of H. P. Corporation, a Montana corporation. The sentence was suspended with the provision that Tschirgi spend 60 days in a jail-type institution and remain on probation for three years.

**SAUNIER, INC., OTHERS ENJOINED.** The SEC Denver Regional Office announced February 3 (LR-3644) the return of a Federal court order (USDC, Colo.) enjoining Saunier, Inc., United Bankers Investment, Inc., both of Denver, Jerry F. Hecht, individually and d/b/a J. F. Hecht and Associates, DeVille Joint Venture and 23rd and Stout Street Joint Venture from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of securities of Saunier, United Bankers Investment, DeVille Joint Venture and the 23rd and Stout Street Joint Venture. The injunction was issued with the consent of the defendants. Previously, a permanent injunction was entered against defendant William L. Winters, and a preliminary injunction by default was issued against defendant Stephen C. Williams. A preliminary injunction by consent was entered against defendant Gordon Marquette.

**WAYNE-GOSSARD CORP. SHARES IN REGISTRATION.** Wayne-Gossard Corporation, Humboldt, Tenn., filed a registration statement (File 2-25950) with the SEC on February 6 seeking registration of 400,000 outstanding shares of \$1.60 cumulative convertible preferred stock. The holders thereof may offer the shares for public sale on the New York Stock Exchange at prices current at the time of sale (\$25.25 per share maximum\*).

The company is engaged in the sale of women's intimate apparel, women's hosiery, men's and children's socks, women's casual socks and personal leather goods. It is the surviving corporation of a recent merger of The H. W. Gossard Co. into Wayne Knitting Mills. The stock being registered was issued to former stockholders of H. W. Gossard Co. in connection with such merger. In addition to indebtedness and preferred stock, the company has outstanding 528,944 common shares. Thomas Robson is board chairman and Robert B. Colbert, Jr., is president.

**ARGUS FILES FOR SECONDARY.** Argus Incorporated, 5950 W. Touhy Ave., Chicago, Ill. 60648, filed a registration statement (File 2-25953) with the SEC on February 6 seeking registration of 77,354 outstanding shares of common stock. The present holders thereof may offer the stock for public sale from time to time on the American Stock Exchange at prices then prevailing (\$15 per share maximum\*).

The company is engaged in manufacturing photographic equipment, military fire control instruments, lens elements and optical systems. In addition to indebtedness, it has outstanding 2,142,955 common shares, of which management officials own 1.3% and Sylvania Electric Products Inc. 33%. The prospectus lists 15 selling stockholders, including Mechanical Specialties Co., which is offering 73,000 shares. The stock being registered was acquired in August 1966 in exchange for the selling stockholders' interests in Execugraf Corp. and Film Cartridge Productions, Inc. Malcolm N. Smith is board chairman and president of the company.

**SUPERIOR ELECTRIC FILES FOR OFFERING AND SECONDARY.** The Superior Electric Company, 383 Middle St., Bristol, Conn. 06010, filed a registration statement (File 2-25954) with the SEC on February 8 seeking registration of 300,000 shares of common stock. Of this stock, 150,000 shares are to be offered for public sale by the company and 150,000 shares (being outstanding stock) by the present holders thereof. The offering is to be made through underwriters headed by Smith, Barney & Co. Inc., 20 Broad St., New York 10005. The public offering price (\$25 per share maximum\*) and underwriting terms are to be supplied by amendment.

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The company designs and manufactures variable-voltage transformers, automatic voltage regulators, lighting control equipment, electrical connectors and certain types of electrical laboratory apparatus. Net proceeds of its sale of additional stock will be used to repay \$700,000 of short-term borrowings and used for general corporate purposes, including approximately \$500,000 for construction and equipment of a plant in Canada. In addition to indebtedness and preferred stock, the company has outstanding 900,383 common shares, of which management officials own 49.4%. The prospectus lists six selling stockholders, including Alfred B. Nelson (president) and Evelyn S. Nelson (director), who are offering 36,600 shares each of their holdings of 138,288 and 134,936 shares, respectively, and Thor L. Hannon (vice president), 36,800 of 132,590. The remaining sellers are offering shares ranging in amounts from 5,000 to 25,000.

**HAWAIIAN ELECTRIC FILES FINANCING PROPOSAL.** Hawaiian Electric Company, Inc., 900 Richards St., Honolulu, Hawaii 96813, filed a registration statement (File 2-25955) with the SEC on February 8 seeking registration of \$13,000,000 of first mortgage bonds, Series O, due 1997, and \$7,000,000 of convertible debentures, due 1982. The securities are to be offered for public sale through underwriters headed by Dillon, Read & Co. Inc., 46 William St., New York 10005, and Dean Witter & Co., 45 Montgomery St., San Francisco, Calif. 94106. The interest rates, public offering prices and underwriting terms are to be supplied by amendment.

An operating utility, the company will apply the net proceeds of its sale of securities toward financing its 1967 capital expenditure program, estimated at \$21,200,000. In addition to indebtedness and preferred stock, it has outstanding 3,659,184 common shares, of which management officials own 3.4%. P. E. Spalding is board chairman and Russell H. Hassler president.

**INSTITUTIONAL EXCHANGE FUND SEEKS ORDER.** Institutional Exchange Fund, Inc., New York, has applied to the SEC for an exemption order under the Investment Company Act with respect to the \$100,000 minimum net capital provisions of the Act; and the Commission has issued an order (Release IC-4835) giving interested persons until February 28 to request a hearing thereon. The Fund has filed a registration statement under the Securities Act covering 1,250,000 shares of common stock, to be offered to investors in exchange for securities of the character of those listed in its prospectus.

**DUVAL SEEKS ORDER.** Duval Corporation, Houston subsidiary of United Gas Corp., has applied to the SEC for an order under the Holding Company Act authorizing certain financing transactions; and the Commission has issued an order (Release 35-15657) giving interested persons until February 20 to request a hearing thereon. According to the application, Duval proposes to sell additional notes aggregating \$13,000,000 to banks from time to time prior to March 31, 1967. It also intends to sell through underwriters up to \$25,000,000 of debentures, due 1982. The issue and sale of Duval's bank notes are contingent upon the prior sale of the debentures. The net proceeds of this financing will be applied, in part, to the prepayment to United of \$31,000,000 of notes.

**SECURITIES ACT REGISTRATIONS.** Effective February 8: Agway Employee Incentive Thrift Plan, 2-25865; J. C. Penney Credit Corp., 2-25916 (40 days); Transatron Electronic Corp., 2-25944. Effective February 9: Allen Aircraft Radio, Inc., 2-25898 (May 11).

**NOTE TO DEALERS.** The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

\*As estimated for purposes of computing the registration fee.

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