

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. 67-50)

FOR RELEASE March 16, 1967

PITNEY-BOWES FILES FOR OFFERING AND SECONDARY. Pitney-Bowes, Inc., Walnut and Pacific Sts., Stamford, Conn. 06904, filed a registration statement (File 2-26108) with the SEC on March 14 seeking registration of 240,000 shares of convertible cumulative preferred stock, \$50 par. The stock is to be offered for public sale through underwriters headed by The First Boston Corp., 20 Exchange Pl., New York. The dividend rate, public offering price (\$50 per share maximum*) and underwriting terms are to be supplied by amendment. Also being registered are 17,500 outstanding shares of common stock, which the present holders thereof may offer for public sale from time to time on the New York Stock Exchange at prices then prevailing (\$51.75 per share maximum*).

The company is engaged principally in the manufacture and rental of postage meters and the manufacture and sale of mailing machines. Net proceeds of its sale of preferred stock will be added to general funds and used to finance the cost of production of equipment for rental; to provide additional working capital; to meet expenditures in connection with the company's expansion of its facilities; and to repay certain short-term bank loans incurred for such purpose. In addition to indebtedness, the company has outstanding 4,565,484 common shares, of which management officials own about 1%. The selling stockholders are George W. Oliver, who is offering 10,000 of 25,000 shares held, and Earl T. March, 7,500 of 15,000. John O. Nicklis is president and Walter H. Wheeler, Jr., chairman.

SPACERAYS FILES PROPOSAL. Spacerays, Inc., Northwest Industrial Park, Burlington, Mass., filed a registration statement (File 2-26113) with the SEC on March 14 seeking registration of \$1,350,000 of 6½% convertible subordinated debentures, due 1977. Of the debentures, \$1,100,000 are to be offered for public sale (at 100% of the principal amount) on a "best efforts, all or none" basis through T. W. Lewis & Co., Inc., 61 Broadway, New York, which will receive a 10% selling commission. George G. Hynson, Jr., and Thomas W. Lewis, officers of the underwriter, will each be entitled to purchase, at \$.10 each, four-year warrants to purchase 7,500 shares of common stock. The remaining debentures are to be offered to holders of the company's 6% subordinated debentures on a dollar-for-dollar basis in exchange for \$250,000 in principal amount of such subordinated debentures presently outstanding.

Organized under New York law in 1962, the company is engaged in developing and manufacturing products in the fields of optics and opto-electrics, as well as the high power, high repetition rate solid state laser and the argon and carbon dioxide gas laser fields. The prospectus states that its activities "have not generated any earnings, and the Company has never paid a dividend on its Common Stock." Of the net proceeds of its debenture sale, approximately \$174,676 will be used to repay loans, \$90,000 for property additions and improvements, \$35,000 to provide funds for the creation of an inventory of the company's products, \$53,000 to develop additional products, and the balance for working capital. In addition to indebtedness, the company has outstanding 466,538 common shares, of which management officials own 25%. Joseph E. Robbins is board chairman and Glenn A. Hardway is president.

F. S. JOHNS & CO., OTHER INDICTED. The SEC New York Regional Office announced March 14 (LR-3663) the return of an indictment (USDC, NJ) charging the following with violations of Securities Act anti-fraud provisions in the sale of stock of Diversified Funding, Inc.: John A. Tricoli, Jr. (president of F. S. Johns & Co., Inc., a New Jersey broker-dealer), F. S. Johns & Co., Inc., Diversified Funding, Inc., Silver Springs Acres, Inc., and five salesmen of F. S. Johns & Co., Lawrence Tricoli, Salvatore Facciponti, Aaron Lichtenstein (a/k/a Aaron Lang), Harry Rower, and George Rein. All of the defendants entered pleas of not guilty to the charges.

SHOPPERS CHARGE PLAN, OTHERS RESTRAINED. The SEC Denver Regional Office announced March 13 (LR-3664) the filing of a complaint (USDC, Bismarck, N.D.) seeking to enjoin Shoppers Charge Plan, Inc., SCP Credit Card Corp., Debt Adjustment Co., Emil J. Dombowsky, A. R. Henderson, Howard Saterlie, Marvin Alex, Michael K. Guldemann, Gerald Metz, and John A. O. Swaving from further violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of notes and loan agreements of Shoppers Charge Plan and capital stock of SCP Credit Card Corp. A hearing has been set for March 20 on the Commission's motion for preliminary injunction. The court issued an order restraining the corporations and Dombowsky from further violations of the registration and anti-fraud provisions, and further ordering the defendant corporations to refrain from dissipating any funds received as a result of violations of those provisions.

THREE STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

Pitney-Bowes, Inc., Walnut and Pacific Sts., Stamford, Conn. (File 2-26107) (common stock)
Container Corporation of America, 38 S. Dearborn St., Chicago, Ill. 60603 (File 2-26114) (550,000 shares)
General Motors Corporation, 1775 Broadway, New York 10019 (File 2-26119) (2,200,000 shares)

OVER

GLEN ALDEN-DELAWARE SEEKS ORDER. Glen Alden-Delaware, Inc., New York, has applied to the SEC for an order under the Investment Company Act exempting it from all provisions of the Act; and the Commission has issued an order (Release IC-4874) giving interested persons until April 5 to request a hearing thereon. According to the application, McCrory Corporation organized applicant to effectuate through the latter company as a temporary holding company, the acquisition of a controlling interest in The B. V. D. Company, Inc. It has acquired 49.7% and 28.6%, respectively, of the outstanding common stock of Glen Alden Corporation ("Glen Alden") and BVD. McCrory transferred to applicant its entire holding of 2,388,230 shares of common stock of Glen Alden in exchange for an identical number of shares of applicant's common stock. As part of the same arrangement, applicant acquired from Sol Kittay, president and board chairman of BVD (and his wife) an aggregate of 1,000,002 shares of BVD. In exchange therefor, applicant issued shares of its preference stock in the ratio of 1 preference share for each 3 common shares of BVD. As a result, all of applicant's outstanding common stock is owned by McCrory and all of applicant's outstanding preference stock is owned by Kittay and his wife. As a result of negotiations among applicant, McCrory (as sole common stockholder of Applicant), Glen Alden, Mr. and Mrs. Kittay and BVD, agreements have been entered into which provide, among other things, for the merger of Glen Alden and applicant into a new Delaware corporation which will adopt the name Glen Alden, and for the acquisition by a wholly-owned subsidiary of the new Glen Alden of substantially all the assets of BVD, subject to substantially all of the liabilities thereof, in exchange for preferred stock of the new Glen Alden. At the conclusion of these transactions McCrory will hold 49.7 per cent of the common stock of the new Glen Alden, Mr. and Mrs. Kittay will hold preferred stock of the new Glen Alden and the separate existence of the applicant will cease.

WESTERN TITLE INS. CO., OTHERS CITED. The SEC San Francisco Regional Office announced March 13 (LR-3665) the filing of a complaint (USDC, ND Calif.) seeking to enjoin Western Title Insurance Company, Inc. (WTIC), Western Title Insurance Company, Inc. Trust, Irving Wellesley Beeman, president of WTIC, and Frederick F. Babo, vice president, from further violations of the registration provisions of the Federal securities laws in the sale of securities of WTIC and Western Title Insurance Co., Inc. Trust. A temporary restraining order and an order to show cause on March 22, 1967, why a preliminary injunction should not be issued have been entered.

PUBLIC SERVICE OF NEW MEXICO PROPOSES OFFERING. Public Service Company of New Mexico, 815 Simms Bldg., Albuquerque, N. M. 87103, filed a registration statement (File 2-26116) with the SEC on March 15 seeking registration of \$20,000,000 of first mortgage bonds, due 1997, to be offered for public sale at competitive bidding. The company will use the net proceeds of its bond sale in connection with its construction program (estimated at \$14,816,000 for 1967 and \$22,577,000 for 1968).

ST. REGIS GROWTH FUND PROPOSES OFFERING. St. Regis Growth Fund, Inc., 10 Dorrance St., Providence, R.I. 02903, filed a registration statement (File 2-26123) with the SEC on March 13 seeking registration of 1,000,000 shares of common stock, to be offered for public sale at net asset value plus a maximum sales charge of 8½% (\$10.93 per share maximum*). Market Securities of Florida, Inc., 881 W. Morse Blvd., Winter Park, Fla., is the Fund's general distributor.

Organized under Rhode Island law in March 1967, the Fund is an open-end diversified investment company whose investment objective is to "obtain long-term appreciation of capital." Randall Management Corporation is its investment adviser. The Fund has outstanding 10,000 shares, purchased by Royal Little (president) at \$10 per share.

ANDERSON NEW ENGLAND CAPITAL SEEKS ORDER. Anderson New England Capital Corporation, Boston, Mass., investment company, has applied to the SEC for an exemption order under the Investment Company Act authorizing it to purchase certain securities of Chester Electronic Laboratories, Inc.; and the Commission has issued an order (Release IC-4875) giving interested persons until March 30 to request a hearing thereon. Anderson proposes to purchase 500 units out of a total of 4500 units of Chester registered under the Securities Act of 1933; each unit is to be sold at a price of \$100 and consists of one \$100 face amount debenture and warrants to purchase 6 shares of common stock. According to the application, Anderson is affiliated with Putnam Coffin & Burr, the underwriter of the Chester issue.

SECURITIES ACT REGISTRATIONS. Effective March 15: Incentive Securities Corp., 2-24786 (90 days); Spartans Industries, Inc., 2-25931.

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.