

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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SEC

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J. J. NEWBERRY TRADING RESUMED. The SEC announced on May 25 that the temporary suspension of trading in the securities of J. J. Newberry Co. of New York City which was imposed on May 24, would terminate effective at 5 P.M. EDT May 25. Therefore, trading in this stock was resumed at the opening of business today.

In its May 24, 1967 announcement of the suspension of trading, the Commission noted that information had come to its attention which questions the validity of a tender offer recently made for approximately 50% of the company's common stock. The Commission also announced at that time that it had no information which would indicate that the company or its management is a participant in this tender transaction and further stated the Commission's staff had been directed to conduct an inquiry to ascertain all pertinent facts.

Arthur E. Pennekamp, Administrator of the San Francisco Regional Office, and Walter G. Holden, Associate Regional Administrator in the Los Angeles Branch Office of the Commission, announced on May 25 the filing of a complaint in the U.S. District Court in Los Angeles, seeking to enjoin Albert J. Fenster and Wilbur E. Quint from proceeding with the tender offer made by Albert J. Fenster for the common stock of J. J. Newberry Co. in violation of the anti-fraud provisions of the Securities Exchange Act of 1934.

According to the complaint Albert J. Fenster caused to be inserted in a Los Angeles newspaper an advertisement offering to pay \$25 per share for 955,000 shares of J. J. Newberry Co. stock if tendered by July 15, 1967. The complaint charged that Albert J. Fenster did not have the funds to pay for the stock if tendered. The Commission also alleged that Albert J. Fenster misrepresented his financial condition and the source of the funds to be used to pay for the stock tendered. The affidavits filed in support of the Commission's motion for a temporary restraining order state that the price of the stock advanced with a substantially increased volume at about the time the offer for tender was made. Wilbur E. Quint was named in the advertisement as agent to receive tenders in connection with the offer. The complaint was based on the questionable validity of the offer and made no charges of any kind with respect to J. J. Newberry Co. or its management.

Under the circumstances and in view of the disclosures contained in the above mentioned injunctive complaint the Commission has concluded it is no longer necessary for the suspension of trading in the shares of J. J. Newberry Co. common stock to continue and it had lifted the suspension effective at 5 P.M. EDT May 25, 1967.

SUBSCRIPTION TELEVISION TRADING BAN ISSUED. The SEC today announced the temporary suspension of over-the-counter trading in the common stock, \$1 par value, of Subscription Television Inc. of New York City for the ten-day period May 26, 1967 to June 4, 1967, inclusive.

The suspension was ordered by the Commission upon the request of the company. The company had announced that it had agreed to purchase all of the common stock of nine corporations, known as the John Blue group of companies. The company had stated it is not permitted to disclose financial information regarding the John Blue group until after the closing of the transaction which is expected to take place in July 1967. The company has indicated that such information will be disclosed as soon as practicable after the closing.

Accordingly, the Commission deemed it necessary and appropriate in the public interest and for the protection of investors to suspend trading in Subscription Television securities pending clarification of the matter.

INTERAMERICAN INDUSTRIES TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending over-the-counter trading in securities of Interamerican Industries, Ltd., Calgary, Alberta, Canada, for the further ten-day period May 29 through June 7, 1967.

AUSTRAL OIL AND GAS FILES. Austral Oil and Gas Exploration Corporation, 2700 Humble Bldg., Houston, Tex. 77002, filed a registration statement (File 2-26624) with the SEC on May 24 seeking registration of \$10,000,000 of interests under Exploration Agreements. The offering will be made by the company and by Wood, Struthers & Winthrop as agent for the company.

The company is engaged in the exploration of oil, gas or other hydrocarbons. It is a wholly-owned subsidiary of Austral Oil Company, Inc. C. Wardell Leisk is chairman and Robert A. Shepherd, Jr. is president of the company and its parent.

TRANS-CONTINENTAL INVESTMENT IN REGISTRATION. Trans-Continental Investment Company, 1107 Federal Securities Bldg., Lincoln, Nebr. 68508, filed a registration statement (File 2-26627) with the SEC on May 25 seeking registration of 1,000,000 shares of common stock. The shares are to be offered for public sale at \$5.00 per share, which includes a 10% selling commission. The offering is to be on a best efforts basis through an underwriter whose name is to be supplied by amendment.

Organized under Nebraska law in January 1967, the company intends to form or acquire subsidiaries to do business in the fields of fire and casualty insurance, installment financing, and life and accident and health insurance. Net proceeds of this sale will be used for investment in subsidiaries and for general corporate purposes. The company has outstanding 11,000 common shares which were sold at \$5 per share. Management officials own 52% of the outstanding stock. William M. Stroud is president.

OVER

MINIATURE PRECISION BEARINGS FILES FOR OFFERING AND SECONDARY. Miniature Precision Bearings, Inc., Precision Park, Keene, New Hampshire 03431, filed a registration statement (File 2-26628) with the SEC on May 25 seeking registration of 370,000 shares of common stock. Of the stock being registered, 200,000 shares are to be offered for public sale by the company and 32,500, being outstanding shares, by the holder thereof. The offering is to be made through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005; and the public offering price (\$28 per share maximum*) and underwriting terms are to be supplied by amendment. The stock being registered also includes 137,500 common shares underlying warrants, exercisable at \$8 per share, which certain institutions are to sell to the underwriters. The underwriters propose to offer such stock for public sale.

The company is primarily engaged in the manufacture of anti-friction bearings and bearing-using assemblies. Of the net proceeds of the company's sale of stock and warrants, \$500,000 will be applied to the prepayment of 5-1/2% notes, due 1977, and the remainder will be added to the general funds. Pursuant to an agreement, the company will purchase for \$1,170,000 the Keene, N. H., manufacturing facility, which it presently leases. In addition to indebtedness, the company has outstanding 702,906 common shares, of which management officials as a group own 20.7%. Horace D. Gilbert, board chairman, proposes to sell 32,500 of his holdings of 107,805 shares. William M. Scranton is president.

PUBLIC SERVICE ELECTRIC PROPOSES OFFERING. Public Service Electric and Gas Company, 80 Park Place, Newark, N. J. 07101, filed a registration statement (File 2-26629) with the SEC on May 25 seeking registration of \$75,000,000 of first and refunding mortgage bonds, due 1997, to be offered for public sale at competitive bidding.

An electric and gas utility, the company will use the net proceeds of its bond sale for general corporate purposes, including payment of a portion of its construction program, and to repay some \$11,500,000 of indebtedness. The company's construction program is estimated at \$190,000,000 for 1967 and \$185,000,000 for 1968.

NATIONAL LEAD FILES EXCHANGE OFFER. National Lead Company, 111 Broadway, New York 10006, filed a registration statement (File 2-26631) with the SEC on May 25 seeking registration of 365,752 shares of common stock. According to an agreement and plan of reorganization dated April 28, 1967, it is proposed to offer this stock in exchange for all of the 7,652 outstanding shares of capital stock of Amos-Thompson Corporation. The exchange offer is to be on the basis of approximately 47.80 company shares for each share of Amos-Thompson.

National Lead is engaged in the manufacture of chemical, metal and other products. Amos-Thompson, located in Edinburg, Ind., is in the hardwood lumber business and produces molded plastics and plastic products. In addition to indebtedness, National Lead has outstanding 11,630,900 common shares, of which management officials as a group own 54,547 shares. Joseph A. Martino is board chairman, and Alfred H. Drewes is president.

MASSACHUSETTS INVESTORS RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-4968) permitting Massachusetts Investors Trust, Boston, to issue its shares at net asset value for substantially all of the assets of E. Salz & Son, Inc.

NATIONAL AVIATION RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4969) permitting National Aviation Corporation, New York, to purchase up to \$1,000,000 of convertible subordinated debentures, due 1987, of Whittaker Corporation. Whittaker has filed a registration statement proposing the public offering of \$12,000,000 of such debentures. Howard E. Buhse, a director of National Aviation, is a partner of Hornblower & Weeks-Hemphill, Noyes, one of the prospective underwriters of the offering. Under such circumstances, National Aviation's purchase of the debentures during the existence of the underwriting or selling syndicate, is prohibited by Section 10(f) of the Act unless the Commission grants an exemption from such prohibition.

SECURITIES ACT REGISTRATIONS. Effective May 25: American Hoist & Derrick Co., 2-26489 (July 5); Burroughs Corp., 2-26439; Bristol-Myers Co., 2-26530; Equity Funding Corp. of America, 2-26388 (40 days); The New Britain Machine Co., 2-26518; Nunn-Bush Shoe Co. (Voting Trust), 2-26015; Riker Video Industries, Inc. 2-26074 (July 5); Ryan Consolidated Petroleum Corp., 2-26262 (Aug 25); Standard Oil Co. (Indiana), 2-26501; Susan Thomas Inc., 2-25410; The Thomas & Betts Co., 2-26434.

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.