

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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NEWELL ASSOCIATES FILES RIGHTS OFFERING PROPOSAL. Newell Associates, Inc., 155 San Lazaro Ave., Sunnyvale, Calif., filed a registration statement (File 2-27503) with the SEC on October 19 seeking registration of 253,248 shares of capital stock, to be offered for subscription by stockholders at \$10 per share, and at the rate of one new share for each two capital shares held. The record date is to be supplied by amendment. The company is advised that the holders of 278,568 shares of its outstanding capital stock do not intend to exercise their rights to subscribe to 138,283 capital shares. A group of private and institutional investors have agreed to purchase from the company at the subscription price the capital shares left unsubscribed by stockholders. In connection with such commitment to purchase unsubscribed shares, the company has agreed to issue to such investors 50,650 five-year capital stock purchase warrants, exercisable at \$12.50 per share. The company has received purchase commitments from 17 such individuals or corporations, including Capital Southwest Corporation (29.63%), Shareholders Management Company (19.74%) and Elmer R. Slavik (17.06%).

The company is engaged in the research, engineering, design and development of a proprietary, magnetic tape transport technique described as the "Newell Principle," said to have application in mechanisms using magnetic tape. Of the net proceeds of the stock sale \$245,599 will be used to retire short-term debt, \$125,000 to pay the finder's fee of E. F. Hutton & Company, Inc., \$261,000 for the purchase of production machinery and equipment to commence commercial production, \$61,000 for tools and supplies, \$778,000 for anticipated initial marketing expenses, and \$1,021,881 for raw material and finished goods inventories and other working capital purposes. In addition to indebtedness, the company has outstanding 506,496 capital shares, of which management officials own 46.6% (including 38.2% owned by C. W. Newell, president and board chairman).

DELTA WESTERN FILES. Delta Western Company, 4408 Gaston Ave., Dallas, Tex. 75246, filed a registration statement (File 2-27506) with the SEC on October 19 seeking registration of 200 units of participation in its 1967 drilling fund, to be offered for public sale at \$10,000 per unit. The offering is to be made by company representatives and units may also be sold by NASD members (for which they will receive a 5% commission).

The company was organized to lease, drill and develop oil and gas properties. Net proceeds of its sale of units will be applied to such venture. In addition to indebtedness, the company has outstanding 1,000 common shares, of which the First Dunboe Company (75%-owned by George W. Moffitt, Jr., president) owns 70%, and the Delta Corporation (23%-owned by company management) owns 30%.

MISSISSIPPI POWER PROPOSES OFFERING. Mississippi Power Company, 2500 14th St., Gulfport, Miss. 39501, filed a registration statement (File 2-27511) with the SEC on October 20 seeking registration of \$10,000,000 of first mortgage bonds, due 1997, to be offered for public sale at competitive bidding.

Net proceeds of the bond sale, together with other funds, will be used by the company to finance its 1967 construction program, to make payments on short-term bank loans, and for other corporate purposes. Construction expenditures are estimated at \$54,869,000 for 1967-1969. In addition to indebtedness, the company has outstanding 1,091,000 common shares. A. J. Watson, Jr. is president.

HOUSTON L&P PROPOSES OFFERING. Houston Lighting & Power Company, 900 Fannin St., Houston, Tex. 77002, filed a registration statement (File 2-27512) with the SEC on October 20 seeking registration of \$35,000,000 of first mortgage bonds, due 1997, to be offered for public sale at competitive bidding.

Net proceeds of the bond sale will be added to general funds and used to defray the cost of the company's construction program and for other corporate purposes, including the repayment of a portion (presently estimated at \$17,000,000) of outstanding short-term bank loans. The company's construction program is estimated at \$112,000,000 for 1967, \$79,000,000 for 1968, and \$66,000,000 for 1969. In addition to indebtedness and preferred stock, the company has outstanding 20,252,127 common shares. P. H. Robinson is president.

JACOBSEN MANUFACTURING PROPOSES OFFERING. Jacobsen Manufacturing Company, 1721 Packard Ave., Racine, Wisc. 53403, filed a registration statement (File 2-27513) with the SEC on October 20 seeking registration of 200,000 shares of common stock. The shares are to be offered for public sale through underwriters headed by Francis I. duPont, A. C. Allyn, Inc., 1 Wall St., New York 10005, and Woolard & Co., Inc., 135 S. LaSalle St., Chicago, Ill. 60603. The public offering price (\$26.00 per share maximum*) and underwriting terms are to be supplied by amendment.

The company designs, makes and sells equipment for care of residential grounds, such as power lawn mowers, small tractors for lawn and garden use, snow removal equipment and related accessories; institutional and commercial mowers, tractors and accessories; and service parts for the company's products. Of the net proceeds of the stock sale, \$4,000,000 will be used to repay a portion of outstanding short-term bank loans incurred primarily to carry increased inventory and receivables resulting from the expansion of sales, and the balance will be added to general funds and used for working capital purposes. In addition to indebtedness and preferred shares, the company has outstanding 573,226 common shares, of which management officials own 34.5% (including 14.7% owned by Oscar T. Jacobsen, board chairman, and 17.1% owned by Einar A. Jacobsen, president).

OVER

SELECTED SPECIAL SHARES PROPOSES OFFERING. Selected Special Shares, Inc., 135 S. La Salle St., Chicago, Ill. 60603, filed a registration statement (File 2-27514) with the SEC on October 20 seeking registration of 38,402 shares of common stock. The shares are to be offered at net asset value plus a sales charge of 8.50% on purchases under \$10,000 (the estimated offering price is \$13.02 per share maximum*).

The company (formerly Baum, Adler & Company, a private closed-end investment company) is a diversified open-end management investment company, seeking capital growth. Security Supervisors is the investment adviser and Selected Investments Company is the principal underwriter. Edward P. Rubin is board chairman of the fund and of the underwriter. Herbert F. Horwich is president of the fund.

STELBER CYCLE PROPOSES OFFERING. Stelber Cycle Corporation, 91-31 Queens Blvd., Elmhurst, N. Y. 11373, filed a registration statement (File 2-27500) with the SEC on October 19 seeking registration of \$1,000,000 of 6-1/2% of sinking fund convertible subordinated debentures, due 1979, and 100,000 common stock purchase warrants (expiring 1972). It is proposed to offer these securities for public sale in units, each consisting of \$100 of debentures and 10 warrants, at \$102.50 per unit. The offering is to be made through underwriters headed by Aetna Securities Corp, of 111 Broadway, New York 10006 and 220--71st St., Miami Beach, Fla. 33141, and two other underwriting firms. The company has agreed to issue to Aetna 25,000 common stock purchase warrants at 25¢ per warrant, exercisable initially at \$5.00 per share, and to pay to the underwriter \$5,000 for expenses. Aetna, as managing underwriter, has agreed to pay \$1,500 to Mr. Charles Foshko as a finder's fee.

The company is engaged in the design, manufacture and sale of bicycles, tricycles and related accessories. Net proceeds of this financing will be applied toward the reduction of some \$1,783,670 of loans payable to finance companies. In addition to indebtedness, the company has outstanding 400,000 common shares, of which Philip Steller (board chairman) owns 29.25% and Jack Berkowitz (president) 26.75%.

MEDISURE PROPOSES OFFERING. Medisure, Inc., 50 Broadway, New York, filed a registration statement (File 2-27507) with the SEC on October 19 seeking registration of 75,000 shares of Class A common stock to be offered for public sale at \$10.00 per share, and 75,000 two-year stock purchase warrants (exercisable at \$12.00 per share) to be offered at 10¢ per warrant. It is proposed to offer these securities in units consisting of one share and one warrant. The offering is to be made through underwriters headed by Packer, Wilbur & Co., Inc., 26 Broadway, New York, which will receive a \$1.00 per unit commission. The company has agreed to sell to the underwriter, for \$200, 2,000 two-year Class A common stock purchase warrants, exercisable at \$12.00 per share; to sell to Guido Valente, for \$800, 8,000 of such warrants, as a Finder's fee; and to pay to the underwriter \$12,000 for expenses.

The company was organized under Delaware law on September 13, 1967, for the purpose of offering to qualified persons a simplified method for the payment of emergency and ordinary medical expenses and health care needs through the use of Medisure Checks, guaranteed by the company and sold by it either on a deferred payment or cash basis. In addition, it will offer a membership plan to the general public, which will provide appropriate identification and various other services related to the health care field. Net proceeds of the sale of the units will be used to establish the operations of the company and to conduct an advertising and promotional campaign to introduce the program in the greater New York metropolitan area. In addition to indebtedness, the company has outstanding 225,000 Class B common shares, of which management officials own 96% (including 22% owned by Walter Albers, president). Irwin Meyer is board chairman.

EXPLORATION AND DEVELOPMENT FILES. Exploration and Development, Inc., Suite 5C, 5200 S. Harvard, Tulsa, Okla. 74135, filed a registration statement (File 2-27515) with the SEC on October 20 seeking registration of 300 units of participation in its 1968 drilling fund program, to be offered for public sale at \$10,000 per unit. The offering is to be made by company representatives without commission. In addition, units may be offered and sold by selected dealers who will be entitled to receive a commission.

The company is engaged in the acquisition and development of oil and gas prospects for itself and as agent for other participants and is currently engaged in drilling and oil and gas producing operations in Illinois, Kansas and Oklahoma. Net proceeds of the sale of units will be applied to such venture. In addition to indebtedness, the company has outstanding 5,100 common shares, all owned by management officials (including 40% owned by Horton Conrad, Jr., president, and 34% owned by Peter Kruidenier, board chairman).

SIX ENTER GUILTY PLEA IN HERCULES GALION CASE. The SEC New York Regional Office announced October 18 (LR-3829) that Arthur Keller, Mark Rolland, Spero Furla, David Zinfein, Burton Buddy Kozak and Harris Nagorsky had entered guilty pleas to certain counts of an indictment charging them and ten other defendants with violations of the anti-fraud and anti-manipulative provisions of the Federal securities laws in connection with transactions in Hercules Galion Products, Inc. common stock on the American Stock Exchange. The remaining defendants have all entered not guilty pleas.

JAMES K. KAANEHE, OTHERS, ENJOINED. The SEC Los Angeles Regional Office announced October 18 (LR-3830) the entry of a Federal court judgment in Honolulu permanently enjoining James K. Kaanehe, individually and d/b/a Bellview-Hawaii, Richard MacDonald, Frances MacDonald and Masayuki Miyasato, all of Honolulu, from further violations of the registration and anti-fraud provisions of the Securities Act in the offer and sale of securities related to cemetery plots in Sacramento, Calif. The defendants, without admitting or denying the allegations, consented to the entry of the decree.

HARTFORD STEAM BOILER RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-5138) authorizing The Hartford Steam Boiler Inspection and Insurance Company, Hartford, Conn. to purchase its shares from Insurance Securities Trust Fund ("ISTF"), a registered open-end diversified investment company. As of June 16, 1967, ISTF owned 100,000 shares, or 10% of the outstanding common stock of applicant, and Hartford proposes to purchase the 100,000 shares from ISTF at a price of \$47 per share.

PAUL REVERE RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-5139) declaring that The Paul Revere Corporation, Worcester, Mass., is primarily engaged in a business or businesses other than that of investing, reinvesting, owning, holding or trading in securities.

EASTERN UTILITIES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15881) with respect to an application filed by Eastern Utilities Associates ("EUA"), Boston holding company, and its subsidiaries, Blackstone Valley Electric Company ("Blackstone") and Brockton Edison Company ("Brockton"), authorizing the subsidiaries to sell to banks an aggregate of \$1,900,000 of additional short-term, unsecured promissory notes during the period ending December 21, 1967. According to the application, Blackstone proposes to borrow \$700,000 and Brockton, \$1,200,000. The proceeds will be used in part by the subsidiaries to finance construction expenditures for 1967 and for other corporate purposes. These borrowings are in addition to those authorized by Commission order of December 19, 1966 (Release 35-15625).

EATON & HOWARD STOCK FUND RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-5137) authorizing Eaton & Howard Stock Fund, Boston, to issue its shares in exchange for substantially all of the assets of Westford, Inc. Westford, a Delaware corporation, is a personal holding company all of whose outstanding stock is owned by one individual and five trusts. Its assets of approximately \$3,981,708 will be transferred to Eaton & Howard in exchange for shares of its capital stock, on the basis of their net asset value.

KENTUCKY POWER SEEKS ORDER. Kentucky Power Company ("Kentucky"), Ashland, Ky., and its parent, American Electric Power Company, Inc. ("AEP"), have applied to the SEC for an order under the Holding Company Act authorizing Kentucky to sell an electric transmission tower line to The Union Light, Heat and Power Company ("Union"), a nonaffiliated company and a subsidiary of The Cincinnati Gas & Electric Company ("Cincinnati"). The Commission has issued an order (Release 35-15883) giving interested persons until November 16 to request a hearing thereon. The sale involves approximately 3.2 miles of a 345-kv single-circuit electrical transmission tower line located in Boone County, Ky. The selling price will be depreciated original cost of the facilities as of the date of transfer, and would have been \$358,564 if the transfer date had been October 1, 1967. The facilities to be sold are in place and interconnect Union and Cincinnati with Kentucky and the AEP system. The facilities will continue to be used for the same purpose after the consummation of the transaction.

FUQUA INDUSTRIES SHARES IN REGISTRATION. Fuqua Industries, Inc., 3800 First National Bank Bldg., Atlanta, Ga. filed a registration statement (File 2-27509) with the SEC on October 19 seeking registration of 39,867 shares of common stock. According to the prospectus, McDonough Securities Company, a Georgia corporation, and Varco Steel, Inc., an Arkansas corporation, are to be merged into Fuqua Industries. Upon such mergers, the 72,879 outstanding shares of McDonough common and 420,890 outstanding shares of Varco common (other than shares, if any, as to which dissenters' appraisal rights are asserted), are to be changed into shares of Fuqua common. Some 19,917 shares of Fuqua common are to be issued to certain shareholders of McDonough (including 5,540 to William R. Smith); and 19,950 to certain shareholders of Varco (including 9,500 to R. G. Varner). The recipients thereof may offer the shares for sale from time to time (at \$65.50 per share maximum*).

MADISON SQUARE GARDEN TO SELL DEBENTURES. Madison Square Garden Corporation, 410 Park Ave., New York 10022, filed a registration statement (File 2-27518) with the SEC on October 20 seeking registration of \$7,515,600 of convertible subordinated debentures, due 1987. The debentures are to be offered for subscription by stockholders on the basis of \$100 of debentures for each 100 common shares held. The record date, interest rate, subscription price and underwriting terms are to be supplied by amendment. Bache & Co., Inc., 36 Wall St., and Bear, Stearns & Co., 1 Wall St., both of New York 10005, are listed as the principal underwriters.

The company's principal business is presently the ownership and operation of the existing Madison Square Garden in New York City, the New York Rangers hockey team, the New York Knickerbrokers basketball team and the promotion and presentation of a variety of other events. Through MSG-ABC Productions, Inc., a 50% owned corporation, it also has a substantial interest in Holiday on Ice shows. The company's 75% owned subsidiary, Madison Square Garden Center, Inc. ("MSGC"), is engaged in the completion of construction of and will own and operate the new sports, entertainment, convention and exposition center to be known as Madison Square Garden Center over the remodeled and modernized Pennsylvania Station in New York City. Upon completion of the Center, the operations of the present Garden, the Rangers and the Knickerbockers will be transferred to MSGC. The company also has a 25% interest in the joint venture which is completing construction of and will own and operate the 29-story office building adjacent to the Center and known as Two Pennsylvania Plaza. Net proceeds of the company's sale of debentures will be applied in part to the purchase of some \$4,500,000 of MSGC's 6% sinking fund subordinated debentures, due 1992, as required by MSGC for completion of construction of the Center. An additional \$1,100,000 will be applied to the payment of short-term bank borrowings; and the balance will be added to working capital and may be used to defray the cost of demolition of the present Center. In addition to indebtedness, the company has outstanding 7,515,625 common shares, of which management officials own 6.32%. Irving Mitchell Felt is president and board chairman.

ATLANTA GAS LIGHT TO SELL BONDS. Atlanta Gas Light Company, 243 Peachtree St., N.E., Atlanta, Ga. 30302, filed a registration statement (File 2-27520) with the SEC on October 20 seeking registration of \$15,000,000 of first mortgage bonds, due 1992, to be offered for public sale at competitive bidding. Net proceeds thereof will be applied to the retirement, in part, of some \$27,000,000 of short-term notes issued or to be issued primarily to finance construction. Construction expenditures for the year ended September 30, 1967, approximated \$16,783,000; and for fiscal year ending September 30, 1968, they are estimated at \$16,000,000.

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the captions of the several items of the form was included in the October 2 News Digest.

AMI Inc Sept 67 (2,13)	0-2368-2	Photon Inc Sept 67 (3)	0-1025-2
Acme Precision Products Inc Sept 67(6)	1-3327-2	Pillsbury Co Sept 67 (11,13)	1-444-2
Admiral Corp Sept 67 (4,7,13)	1-3234-2	Premier Ind Corp Sept 67 (11,13)	1-4903-2
Allstate Finance Corp Sept 67 (11,13)	0-1903-2	Prudential Funds Inc Sept 67 (12,13)	2-25300-2
Amer Biltrite Rubber Co Inc Sept 67(8)	1-4773-2	Raychem Corp Sept 67 (2,7)	0-1865-2
Arizona Public Service Co Sept 67(7,13)	1-4473-2	Reading & Bates Offshore Drilling Co Sept 67 (2,4,7,13)	0-503-2
Atals Corp Sept 67 (3)	1-2714-2	Reliance Elec & Engineering Co Sept 67 (2,7,13)	1-2791-2
Baxter Laboratories Inc Sept 67 (4,13)	1-4448-2	Riker Video Ind Inc Sept 67 (2,7,12,13)	0-2715-2
Ceco Corp Sept 67 (7)	1-4514-2	Royal Ind Inc Sept 67 (7,13)	1-5319-2
Chicago & No Western Ry Co Sept 67 (12,13)	1-3211-2	St Charles Liquidating Corp Sept 67 (2,8,11,13)	0-2509-2
Cott Corp Sept 67 (12,13)	1-4532-2	Savin Business Machines Corp Sept 67 (11)	0-1666-2
DMH Corp Sept 67 (2,7,8,13)	1-4818-2	Sonotone Corp Sept 67 (12)	1-2214-2
Joseph Dixon Crucible Co Sept 67(12,13)	0-865-2	Standard Register Co Aug 67 (12)	0-1097-2
Dunlap & Assoc Inc Sept 67 (2,13)	2-18440-2	Stokely-Van Camp Inc Oct 67 (11,13)	1-2944-2
EG&G Inc Sept 67 (2,11,13)	1-5075-2	Symington Wayne Corp Sept 67 (7,8)	1-1273-2
Electrosolida Corp Aug Sept Oct 67 (11,13)	2-19245-2	Talley Ind Inc Sept 67 (2,3,7,13)	1-4778-2
Englehard Ind Inc Sept 67 (2,7,13)	1-4346-2	Times Mirror Co Sept 67 (11)	1-4914-2
Erie Technological Products Inc Sept 67 (2,13)	0-520-2	Trans-Canada Pipe Lines Ltd Sept 67 (7,8)	2-12927-2
First Iowa-Illinois Mortgage Co Sept 67 (2,13)	0-2100-2	Transcontinental Inv Corp Sept 67 (11,12,13)	1-4945-2
Florida Steel Corp Sept 67 (4,7,13)	1-5210-2	Uarco Inc Sept 67 (3,13)	1-5081-2
Franklin Elec Co Inc Sept 67 (12)	0-362-2	Union Oil Co of Calif Sept 67 (8)	1-554-2
Fuqua Ind Inc Sept 67 (2,13)	1-2767-2	United Utilities Inc Sept 67 (2,4,13)	1-4721-2
G C Computer Corp Sept 67 (3,12)	1-5294-2	Universal Fluid Dynamics Co Sept 67(13)	0-2821-2
H & B Amer Corp Sept 67 (7,13)	1-4089-2	Uslife Holding Corp Sept 67 (2,7,13)	2-25711-2
Industrial Nucleonics Corp Sept 67 (11)	2-19844-2	Valdak Corp Sept 67 (12)	0-2320-2
Iowa Power & Light Co Sept 67 (12)	1-3567-2	Valley Metallurgical Processing Co Inc Oct 67 (12,13)	1-5133-2
Kavanagh-Smith & Co Sept 67 (9)	0-180-2	Volume Shoe Corp Inc Sept 67 (7)	0-1961-2
Keebler Co Sept 67 (9,13)	1-236-2	Western Air Lines Inc Sept 67 (7,9,13)	1-1521-2
Kellogg Co Sept 67 (13)	1-4171-2	Weyerhaeuser Co Sept 67 (7,13)	1-4825-2
Keltec Ind Inc Aug 67 (2,13)	1-5009-2	Williamsburg Life Ins Co Sept 67 (12)	0-1501-2
King Resources Co Sept 67 (4,7,11,13)	2-16982-2	Phillips-Van Heusen Corp Amend #1 to 8K for Aug 67 (4)	1-724-2
Knappe & Vogt Mfg Co Sept 67 (11)	0-1859-2	Superior Ind Corp Amend #2 to 8K for Nov 66 (2)	2-18803-2
Leeds Shoes Inc Sept 67 (11,13)	0-2216-2	Standard Register Co Amend #1 to 8K for Aug 67 (13)	0-1097-2
Levin-Townsend Computer Corp Sept 67(7)	1-5242-2		
Lincoln Liberty Life Ins Co Sept 67 (1)	2-18894-2		
Linkenheimer Co Sept 67 (3)	0-342-2		
Merck & Co Inc Sept 67 (3)	1-3305-2		
Morrison Cafeterias Cons Inc Sept 67 (11,13)	0-1750-2		
Ohio Water Services Co Sept 67 (2,11)	0-498-2		
Pacific Lighting Service & Supply Co (12,13)	2-17024-2		

CORRECTION RE FIRST MORTGAGE INVESTORS. The SEC News Digest of October 17 should have classified First Mortgage Investors (File 2-27485) as a closed-end business investment trust of the management type. It also should have stated that the trust has outstanding 1,230,415 shares of beneficial interest (not 16,579,393, which is the dollar amount of interest outstanding), of which management officials own 12,696 shares. Jack R. Courshon is president and board chairman of First Mortgage Advisory Corporation, the investment adviser (not of the trust).

SECURITIES ACT REGISTRATIONS. Effective October 20: Central Mutual Telephone Co., Inc., 2-27245 (40 days); The Curtis Publishing Co., 2-27096 (90 days); Keystone Accumulation Plans, Inc., 2-26227; Texaco, Inc., 2-27332 (Dec 11); Vornado, Inc., 2-27270 (Nov 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.