

# SECURITIES AND EXCHANGE COMMISSION

# NEWS DIGEST

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



Washington 25, D.C.

FOR RELEASE September 26, 1957

## WALWORTH COMPANY FILES FOR DEBENTURE OFFERING

Walworth Company, New York City, filed a registration statement (File 2-13625) with the SEC on September 25, 1957, seeking registration of \$8,000,000 of 6% Convertible Subordinated Debentures due 1979, to be offered for public sale through an underwriting group headed by Paine, Webber, Jackson & Curtis, Butcher & Sherrerd, and Townsend, Dabney & Tyson. The public offering price and underwriting terms are to be supplied by amendment. Net proceeds of the financing will be added to the general funds of the company and will be available for general corporate purposes, including the retirement of bank loans, expenditures for plant expansion and improvements, loans to subsidiaries or others, and meeting the cash requirements "resulting from the expanded business and activities of the companies and its subsidiaries," according to the prospectus.

The principal business of the company and its subsidiaries is the design, manufacture, and sale of a wide variety of valves, pipe fittings, fabricated pipe, automatic controls, and other control devices. At the present time, the company is said to be increasing the capacity of its subsidiary, Alloy Steel Products Co., approximately 50% and adding facilities for the production of valves for nuclear application. To complete this program will involve the expenditure of about \$3,600,000. A new brass plant is under construction at Braintree, Mass., which will require approximately \$1,000,000 for new foundry equipment, machinery, and material handling equipment.

## GULF STATES LAND & INDUSTRIES FILES FINANCING PROPOSAL

Gulf States Land & Industries, Inc., New Orleans, La., filed a registration statement (File 2-13626) with the SEC on September 25, 1957, seeking registration of \$2,754,900 of First Mortgage Sinking Fund 6% Bonds due 1972 and 316,814 shares of 50¢ par Common Stock.

For each outstanding share of Gulf States \$4.50 Prior Preferred Stock, the company proposes to offer to exchange either of the following, at the option of the stockholder: (a) 1½ shares of common stock; or (b) \$100 principal amount of debentures plus 1½ shares of common stock. The offer of exchange is conditioned upon approval by stockholders of a proposal to reduce the par value of Gulf States common to 50¢ per share, to split said stock in the ratio of ten shares for one share, to increase the number of authorized common shares to 4,000,000, 50¢ par, and to authorize the execution of a first mortgage trust indenture to secure the issue of bonds. The offer of exchange is also conditioned, among other things, upon its acceptance by holders of at least 85% of the 27,549 outstanding preferred shares, unless a lesser percentage is agreed to by the company.

The plan of exchange is said to be another step in the simplification of the  
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capitalization of the company. It is also offered in an effort to reconcile the conflicting views of the stockholders, some of the preferred stockholders having expressed concern over the increased emphasis by the company upon real estate and mineral activities and decrease in its sugar operations. The company is said to be controlled by Webb & Knapp, Inc., through a subsidiary of the latter.

#### WILLIAMS BROTHERS FILES FOR STOCK OFFERING

Williams Brothers Company, Tulsa, Okla., filed a registration statement (File 2-13624) with the SEC on September 25, 1957, seeking registration of 400,000 shares of its \$1 par Common Stock. According to the prospectus, 100,000 shares are to be offered for public sale for the account of the issuing company and 300,000 shares by certain selling stockholders. The offering is to be made through an underwriting group headed by Reynolds & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

Williams Brothers and its subsidiaries are principally engaged in the business of constructing pipelines and related facilities, and are also engaged in other aspects of the heavy construction business. Net proceeds of its sale of the 100,000 shares are to be added to the general funds of the company as additional working capital to be used in connection with financing future operations.

The sellers of the 300,000 shares are: John H. Williams (President), Charles P. Williams and David R. Williams, Jr., each of whom is a director and officer of the company, and B. E. Barnes, R. L. Buck, Marvin E. Jones, Rowland D. Stanfield and David Louthan, each of whom is an officer of the company. These persons now own all but 3,345 of the 1,200,000 outstanding shares of Class B common stock. They propose to convert 300,000 of the Class B shares into 300,000 shares of common stock and to sell the said 300,000 common shares. Of the present holdings of Class B shares, each of the Williams holds 253,304 shares, or 21.1% of the total outstanding; and each proposes to convert 61,180 Class B shares into common shares and sell the said common shares. The company will receive no part of the proceeds thereof. After such sale, the selling stockholders will continue to hold all but 3,345 of the then outstanding 900,000 Class B shares. In addition to the Class B shares, the company will also have outstanding a total of 400,000 common shares (assuming the sale of the 100,000 shares by the company and 300,000 shares by the selling stockholders).

Of the 1,200,000 Class B shares now outstanding, a total of 934,524 shares have been or are to be issued to six officers and directors and four other persons in exchange for the shares held by them in four domestic companies and three Canadian companies which are to be subsidiaries of Williams Brothers Company. Of such 934,524 shares, 190,766 shares each were issued to the three Williams, 89,177 shares each to Barnes and Buck, and 59,389 shares to Stanfield; and the 124,483-share balance was issued to the four other individuals.

#### ADDITIONAL SHARES REGISTERED BY TWO SCUDDER STEVENS FUNDS

Scudder, Stevens & Clark Fund, Inc., and Scudder, Stevens & Clark Common Stock Fund, Inc., Boston investment companies, filed registration statements (Files 2-13627 and 2-13628) with the SEC on September 25, 1957, seeking registration of 150,000 and 250,000 shares, respectively, of additional stock.

## SEC AUTHORIZES BROCKTON EDISON AND FALL RIVER ELECTRIC BANK BORROWINGS

The SEC has authorized Brockton Edison Company, Brockton, Mass., and Fall River Electric Light Company, Fall River, Mass., to make additional bank borrowings during the period ending September 30, 1958, as interim financing of their construction programs. Maximum aggregate borrowings during the period for each company will not exceed \$10,000,000; and the maximum amounts to be outstanding at any one time for each company will not exceed \$2,500,000. Prior to September 30, 1958, permanent financing by the two companies is contemplated in the respective amounts of \$8,686,000 and \$3,976,000. (See Holding Company Act Release No. 13554.)

## COLUMBIA GAS DEBENTURE OFFERING CLEARED

The SEC has authorized The Columbia Gas System, Inc., New York City, to issue and sell at competitive bidding \$25,000,000 of Debentures, Series I, due 1982. This debenture issue constitutes the third step in Columbia's 1957 financing program, the funds from which will be used to meet expenditures estimated as follows: (1) 1957 construction program, \$84,000,000; (2) advance to Gulf Interstate Gas Company, a non-affiliated pipeline company which transports gas to the system from the southwest, \$6,000,000; (3) construction of facilities for extracting and fractionating the heavier hydrocarbon components of the system's Appalachian natural gas reserves, \$4,000,000, or approximately one-third of the total estimated expenditures for such purpose. (See Holding Company Act Release No. 13553.)

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