

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

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



Washington 25, D.C.

FOR RELEASE April 20, 1959

Statistical Release No. 1598

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended April 17, 1959, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1959, is as follows:

| | <u>1939 = 100</u> | | <u>Percent Change</u> | <u>1959</u> | |
|--------------------------|-------------------|----------------|---------------------------|-------------|------------|
| | <u>4/17/59</u> | <u>4/10/59</u> | | <u>High</u> | <u>Low</u> |
| Composite | 425.4* | 412.6 | +3.1 | 425.4 | 400.1 |
| Manufacturing | 520.7* | 504.8 | +3.1 | 520.7 | 490.7 |
| Durable Goods | 482.8* | 471.5 | +2.4 | 482.8 | 457.8 |
| Non-Durable Goods | 545.5* | 525.6 | +3.8 | 545.5 | 510.5 |
| Transportation | 366.0* | 356.9 | +2.5 | 366.0 | 340.7 |
| Utility | 231.8* | 223.5 | +3.7 | 231.8 | 208.6 |
| Trade, Finance & Service | 408.4 | 404.3 | +1.0 | 409.5 | 382.7 |
| Mining | 344.6 | 338.3 | +1.9 | 360.4 | 338.3 |

*New High

BEN HUR GOLD OFFERING SUSPENDED

The Securities and Exchange Commission has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed public offering of stock by Ben Hur Gold, Inc., of Boise, Idaho.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed March 12, 1959, Ben Hur Gold proposed the public offering of 200,000 shares of stock at 10¢ per share. In its suspension order, the Commission asserts that certain terms and conditions of Regulation A have not been complied with; that the company's offering circular is false and misleading in respect of various material facts; and that, because thereof and the further fact that statements are made implying the existence of commercial quantities of ore and successful mining operations, the stock offering would violate Section 17 (the anti-fraud provision) of the Securities Act. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

The false and misleading representations referred to in the Commission's order include statements in the company's offering circular concerning Earl Cedric Heffner, president and promoter, and William Alexander Hutton, mining engineer, and particularly the failure to disclose fully their background and experience; the failure to disclose adequately the condition and value of the company's mining machinery, the terms of mining equipment contracts, the type, condition and capacity of its mill, and the justification for proposed expenditures on the mill in light of the amount of known ore; the failure to disclose adequately the contract terms for, nature of title to, and royalties payable on various properties, as well as the results of assays; the failure to provide adequate financial statements (including the failure to disclose the insolvent condition of an

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affiliate and predecessor); and the failure to disclose that there is no established market for Ben Hur stock and that the offering price of the stock is an arbitrary figure.

MIAMI EXTRUDERS PROPOSES OFFERING

Miami Extruders, Inc., 7575 N. W. 37th Ave., Miami, Fla., filed a registration statement (File 2-14994) with the SEC on April 17, 1959, seeking registration of 175,000 shares of common stock, to be offered for public sale through Aetna Securities Corporation and Roman & Johnson. The offering is to be made at \$3 per share, with a 42¢ per share commission to the underwriters.

The company is engaged in the manufacture of aluminum extrusions. Of the net proceeds of the stock sale, \$160,000 is to be used to purchase an additional aluminum press, plus \$40,000 for leasehold improvement to install such machinery; \$30,000 for the purchase of collateral equipment to supplement the company's other two presses; and, during the next three months, \$105,000 for a larger aluminum, billet inventory to anticipate increased production; and for the retirement of bank loans incurred to increase inventories.

The company has outstanding 262,500 common shares, of which 134,500 are owned by R. W. Van Dette, president, and Dr. Maxwell N. Greenhouse, a director.

BUCKEYE PIPE LINE FILES THRIFT PLAN

The Buckeye Pipe Line Company, 30 Broad St., New York, filed a registration statement (File 2-14996) with the SEC on April 17, 1959, seeking registration of \$375,000 of Interests in the Thrift Plan for Employees of Buckeye Pipe Line and Other Buckeye Corporations, together with 7,800 shares of Buckeye Pipe Line common stock which may be acquired pursuant to the plan.

ADRS FILED FOR PRESIDENT BRAND GOLD MINING

Guaranty Trust Company of New York filed a registration statement (File 2-14998) with the SEC on April 17, 1959, seeking registration of American Depositary Receipts for 50,000 Ordinary Registered Shares of President Brand Gold Mining Company Limited, of the Union of South Africa.

ADRS FILED FOR BEECHAM GROUP

Guaranty Trust Company of New York filed a registration statement (File 2-14999) with the SEC on April 17, 1959, seeking registration of American Depositary Receipts for 60,000 Ordinary Registered Shares of Beecham Group Limited, of England.

TRINITY SMALL BUSINESS INVESTMENT FILES FOR OFFERING

Trinity Small Business Investment Company, South Main St., Greenville, S. Car., filed a registration statement (File 2-15000) with the SEC on April 17, 1959, seeking registration of 235,000 shares of \$1 par Capital Stock.

An approved applicant as "A Federal Licensee" under the Small Business Investment Act of 1958, the company proposes to offer the stock for public sale at \$10.75 per share, with a 75¢ per share commission to the underwriter (whose name is to be supplied by amendment and who will make the offering on a best efforts basis). The initial capital for the company is to be furnished by management officials and their close associates who, as a group, may purchase up to 35,000 of the 235,000 shares at \$10 per share net to the company.

Trinity has received from the Small Business Administration a "notice to proceed" with all necessary action to qualify as a Federal Licensee pursuant to a Proposal to Operate filed with SBA in December 1958. The company will limit its activities to providing equity capital to small business concerns by purchasing their convertible debentures, making long-term loans to small business concerns, render a counseling service relating to managing, financing and operating of small business concerns in which the company has or is contemplating a financial interest, and other activities incidental and appropriate thereto. Net proceeds of this stock offering will be invested in accordance with the company's prescribed investment policies.

The prospectus lists W. H. B. Simpson as president, William R. Timmons, Jr., vice president, Phillips Hungerford, secretary, and Robert A. Dobson as treasurer.



CREE MINING CORP. PROPOSES OFFERING

Cree Mining Corporation Ltd., 2100 Scarth St., Regina, Saskatchewan, Canada, filed a registration statement (File 2-14997) with the SEC on April 17, 1959, seeking registration of 260,000 shares of common stock, to be offered initially at 80¢ per share. Cumberland Securities Ltd. of Regina is listed as the underwriter, who now holds options to purchase the 260,000 shares, which options are exercisable initially at 40¢ per share. According to the prospectus, the underwriter acquired common shares of the company from June 1957 to April 6, 1959, otherwise than directly from the company as underwriter or optionee, in the amount of 259,330 shares, purchased in quantities of varying amounts at various prices ranging from 20¢ to 85¢ per share.

The company was formed in 1956 for the exploration and development of mining in all its branches. Net proceeds of its proposed stock offering are to be used in carrying out the future exploration plans of the company. Celest Peter Herauf of Regina is listed as president and promoter of the company. He and an associate transferred certain properties to the company for \$9,000, which consideration was satisfied by the issuance of 900,000 shares of stock.

GULF STATES UTILITIES PROPOSES STOCK OFFERING

Gulf States Utilities Company, 285 Liberty Ave., Beaumont, Texas, filed a registration statement (File 2-15001) with the SEC on April 17, 1959, seeking registration of 250,000 shares of common stock, to be offered for public sale at competitive bidding. Net proceeds will be used to pay off \$5,000,000 of short-term notes issued or to be issued for construction purposes, and the balance will be used to carry forward the construction program and for other corporate purposes. Construction expenditures for 1959-60 are estimated at \$97,000,000.

BALTIMORE G & E PROPOSES DEBENTURE OFFERING TO STOCKHOLDERS

Baltimore Gas and Electric Company, Lexington Building, Baltimore, filed a registration statement (File 2-15002) with the SEC on April 17, 1959, seeking registration of \$19,925,500 of Convertible Debentures, due July 1, 1974. The company proposes to offer the debentures for subscription by common stockholders in the ratio of \$100 of debentures for each 35 shares held of record May 7, 1959. The interest rate, conversion price, subscription price and underwriting terms are to be supplied by amendment. The First Boston Corporation is listed as the principal underwriter.

Net proceeds of the sale of the debentures will be used for general corporate purposes, including proposed construction expenditures and to repay any bank loans obtained for such purposes (such loans amounted to \$4,700,000 on March 31, 1959). Property additions and improvements are estimated at from \$43 to \$45 million in 1959 (and construction expenditures for the period 1959-63 are estimated at \$270,000,000).

TRACERLAB PROPOSES STOCK OFFERING

Tracerlab, Inc., 1601 Trapelo Road, Waltham, Mass., filed a registration statement (File 15003) with the SEC on April 17, 1959, seeking registration of 100,000 shares of Common Stock, to be offered for public sale through an underwriting group headed by Lee Higginson Corporation and Estabrook & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is a producer of scientific and industrial instruments and equipment for utilization, detection and measurement of radioactivity and is engaged in other "nucleonics" activities and it also owns most of the stock of Keleket X-Ray Corporation. The primary purpose of this stock offering is to enable the company and its subsidiaries to expand and intensify research and development activities in both the nucleonics and the X-Ray fields. It is currently expanding its sales outlets and facilities and increasing its sales efforts; and of the proceeds of the financing, 75% be applied to research and development and 25% to expanded sales activities. There are now outstanding 409,178 common shares, of which American Research and Development Corporation owns 14.3%.

AMERICAN OIL FILES EMPLOYEE PLAN

The American Oil Company, 555 Fifth Ave., New York, filed a registration statement (File 15004) with the SEC on April 17, 1959, seeking registration of \$16,500,000 of Participations in the Employees Savings Plan of American Oil and its Subsidiary Companies, together with 336,730 shares
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Standard Oil Company (Ind.) capital stock which may be acquired pursuant to the plan.

EMPIRE MILLWORK FILES FOR SECONDARY

Empire Millwork Corporation, Corona, N. Y., filed a registration statement (File 2-14005) with the SEC on April 17, 1959, seeking registration of 95,000 outstanding shares of common stock, which are to be offered for sale by the four present holders thereof. The selling stockholders are Harry Gilbert, et al., as trustees for the benefit of William R. Ginsberg under the Will of Morris Ginsberg, 17,603 shares; Gilbert, et al., as trustees for the benefit of Ethel R. Ginsberg under the Will of Morris Ginsberg, 52,819 shares; Gilbert, et al., as Executors under the Will of Morris Ginsberg, 6,822 shares; and Alane Shiffman, 17,756 of 19,026 shares held. The shares being sold by the estate constitute all its holdings.

The 95,000 shares are being offered for sale pursuant to an agreement between the selling stockholders, Empire Millwork, and Edward M. Gilbert, a director. The selling stockholders will sell the stock at \$10.25 per share to such persons as Gilbert shall have nominated to them; and Gilbert is entitled to nominate himself as a purchaser and has agreed to purchase shares which others nominated by him fail to purchase. The agreement further provides that upon the completion of their sale of shares the selling stockholder will purchase from persons to be nominated by Gilbert shares of common stock of E. L. Bruce Company at an average price not to exceed \$44.233 per share, applying to such purchase an aggregate amount equal to the greater of \$450,000 or the excess of the aggregate purchase price received by them upon the sale of Empire Millwork stock over \$500,000. To the extent that the average price of such shares exceeds \$43, one-half of such excess multiplied by the number of such shares, is to be reimbursed to the selling stockholders by Gilbert. Upon completion of this purchase, the agreement provides that the selling stockholders will grant Gilbert an assignable option to purchase shares of Bruce Company stock at their cost. The Empire Millwork stock being sold represents approximately 14.5% of the total shares outstanding.

PRESSED METALS OF AMERICA FILES FOR SECONDARY

Pressed Metals of America, Inc., Port Huron, Mich., filed a registration statement (File 2-15006) with the SEC on April 17, 1959, seeking registration of 90,000 outstanding shares of its Common Stock. The stock is to be offered for sale by the holders thereof at the market price of the stock on the American Stock Exchange. No underwriting is involved.

The company's sole operating asset consists of a plant in Port Huron leased to others. It has outstanding 2,087,170 shares of common stock in addition to \$800,000 of debentures. The selling stockholders are Frederick W. Richmond, president and board chairman, who owns 63,800 shares, and F. W. Richmond & Co., Inc., wholly-owned by him, which owns 32,391 shares. Sale of the 90,000 shares would reduce their combined holdings to 6,191 shares.

INTERNATIONAL RESOURCES FUND SEEKS EXEMPTION ORDER

International Resources Fund, Inc., Los Angeles, Calif., investment company, has applied to the SEC for an exemption order under the Investment Company Act permitting it to maintain certain of its securities in the custody of a foreign bank; and the Commission has issued an order (Release 40-2866) giving interested persons until May 1, 1959, to request a hearing thereon.

The custodian of the securities of the Fund is The Chase Manhattan Bank which holds, in its London branch office the securities of African issuers owned by the Fund. The Fund proposes that securities which are transferred in Africa, as well as cash to be used for the purchase and received from the sale of these securities, shall be deposited with the Chase Manhattan Bank (South Africa) Limited, Johannesburg, Union of South Africa, as agent of Chase Manhattan Bank.

du PONT de NEMOURS PROPOSES SALE OF PROPERTIES TO EMPLOYEES

E. I. du Pont de Nemours and Company, Wilmington, Del., which is a subsidiary of Christ Securities Company, in turn a subsidiary of Delaware Realty and Investment Company (both parents being registered investment companies), has filed an application with the SEC under the Investment Company Act for an exemption order permitting du Pont to sell residential properties which it owns to its employees, or to purchase residential properties from its employees; and the Commission has issued an order (Release 40-2867) giving interested persons until April 30, 1959, to request a

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holding thereon. du Pont is said to have found it necessary over the years to build or acquire residential properties in areas near certain of its plant sites for rental to employees. Since the status of landlord is not in keeping with its general field of endeavor as a manufacturer and seller of chemicals and related products, it proposes to dispose of its residential properties in all cases where circumstances will permit. du Pont is now considering the sale of its residential properties in Deepwater Village in Lower Penns Neck Township, Salem County, New Jersey, the properties to be offered first to the present tenants. In addition, the company owns 140 residential properties at other sites throughout the country, the majority of which are rented to employees. As circumstances permit, it proposes to dispose of these properties, and any others that may be acquired under its practice of purchasing residential properties from employees transferred to other employment points on short notice.

BALLARD AIRCRAFT PROPOSES STOCK OFFERING

Ballard Aircraft Corporation, One Kennedy St., N. W., Washington, D. C., filed a registration statement (File 2-15007) with the SEC on April 17, 1959, seeking registration of 300,000 shares of common stock, to be offered for public sale at \$3.25 per share. The offering is to be made on a best efforts basis by Weil & Company, also of Washington, for which it will receive a selling commission of \$.4875 per share, plus an allowance of 16½ cents per share for expenses. The issuer also has granted the underwriter options to acquire an additional 45,000 shares, the first 30,000 at \$1.50 per share and the remaining 15,000 at \$1 per share (both being subject to sale of the publicly-offered stock).

Ballard intends to engage principally in designing, engineering, preproduction, development and manufacturing aircraft embodying the body lift principle; and to provide other design and engineering services for helicopters, and other special devices for aircraft and missile applications. The first proceeds of this public offering of stock will be used to establish, equip and staff the company's engineering department at its Washington office address, and to complete the equipping and staffing of its administrative offices at that location. Proceeds also will be used to repair and modify the company-owned prototype called Loadmaster I and to test fly same for the Federal Aeronautics Administration type certification purposes and as a demonstrator; to further modify, sell and manufacture the Loadmaster I, the production model of which will be called Loadmaster II; to develop an aircraft in the 30,000 lb. payload class, to be called Loadmaster III, and to prepare the same for production; and to engineer and construct a prototype of the Hoppi-Copter for the Helicopter Corporation of America. Neither the company nor any of its predecessors has as yet produced the Loadmaster airplane commercially. The existing prototype is said to have suffered minor damage during a 1957 demonstration at Ft. Belvoir and has not yet been repaired, it being deemed advisable to do the repair work at the same time the initial modification work is done.

The company has outstanding 784,222 common shares, of which Vincent J. Burnelli owns 351,587 shares (of which 192,050 are said to be subject to options to purchase granted 28 persons). Burnelli Aircraft Ltd. is a predecessor of Ballard Aircraft, as is V. J. Burnelli Airplanes, Inc. The latter was merged into Ballard Aircraft in July 1958, at which time 410,004 shares of the latter's stock was issued in exchange for a like number of the outstanding Burnelli Airplanes shares.

LOCKHEED AIRCRAFT FILES EMPLOYEE STOCK PLAN

Lockheed Aircraft Corporation, 2555 North Hollywood Way, Burbank, Calif., today filed a registration statement (File 2-15008) with the SEC seeking registration of 342,600 shares of capital stock, which may be purchased pursuant to the company's Employee Stock Purchase Plan.

LAMBERT & CO. HEARING SCHEDULED

The SEC has scheduled a hearing on April 30, 1959, at 10:00 A. M. in its New York Regional Office in the proceedings under the Securities Exchange Act of 1934 to determine whether to revoke the broker-dealer registration of Dominick J. Lambert, doing business as D. J. Lambert & Co., Paterson Springs, N. Y., or to suspend or expel him from membership in the National Association of Securities Dealers, Inc. In its order authorizing the proceedings (See News Digest of March 12, 1959), the Commission charged that Lambert had engaged in transactions which operated as a fraud upon his customers by inducing their purchase and sale of securities at prices bearing no reasonable relationship to the prevailing market prices for the securities.