

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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FOR RELEASE May 4, 1959

Statistical Release No. 1600

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended May 1, 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>5/1/59</u>	<u>4/24/59</u>		<u>High</u>	<u>Low</u>
Composite	423.2	424.9	-0.4	425.4	400.1
Manufacturing	523.0	523.2	0.0	523.2	490.7
Durable Goods	490.6	490.8	0.0	490.8	457.8
Non-Durable Goods	542.7	543.0	-0.1	545.5	510.5
Transportation	359.5	362.5	-0.8	366.0	340.7
Utility	223.5	226.5	-1.3	231.8	208.6
Trade, Finance & Service	403.1	408.5	-1.3	409.5	382.7
Mining	327.6*	334.2	-2.0	360.4	327.6

*New Low

DEVELOPMENT CORPORATION OF AMERICA FILES FOR COMMON STOCK

Development Corporation of America, New York, filed a registration statement (File 2-15053) with the SEC on April 30, 1959, seeking registration of 1,376,716 shares of Common Stock, \$1 par value, reserved for issuance upon conversion of shares of the company's \$1.25 Cumulative Convertible Preferred Stock received by DCA common stockholders in connection with the recently consummated merger of Real Estate Equities, Inc., into DCA and the plan of reorganization consummated in connection therewith. (The Commission, under date of April 16, 1959, issued an order under the Investment Company Act, Release 40-2865, granting an exemption with respect to various transactions involved in this merger and reorganization.)

FLEMING CO. FILES FOR OFFERING AND SECONDARY

The Fleming Co., Incorporated, Topeka, Kansas, filed a registration statement (File 2-15055) with the SEC on May 1, 1959, seeking registration of an aggregate of 100,000 shares of Common Stock, \$5 par value, of which 75,000 shares are to be offered by the company and the balance by the present holders thereof. The names of the selling stockholders, and the public offering price and underwriting terms are to be supplied by amendment. White, Weld & Co. is listed as the principal underwriter.

The company is a distributor of food products, principally to "voluntary groups" of independently-owned food stores. The company is a source of supply for approximately 540 supermarkets and other food stores, situated in Kansas and Oklahoma, in western and central Missouri, and portions of Texas and Colorado, and, in addition to supplying a broad line of products to these retail stores, the company also furnishes administrative and operating services to these stores. Net proceeds to the company from its proposed sale of 75,000 shares will be added to the general funds of the company and used as working capital.

OVER

For further details, call ST. 3-7600, ext. 5526

At May 1, 1959, the company had outstanding 716,328 shares of common stock; 8,000 shares of preferred stock; and \$1,250,000 of notes due 1971. Ned N. Fleming, president of the company, at that date of record and beneficially, a total of 131,630 shares of the company's common stock. At that date outstanding shares of capital stock of the company held of record and beneficially by the members of the Fleming family (consisting of U. A. Fleming, his wife, their two daughters and son (Ned N. Fleming), the latter's respective spouses and children, and spouses of such children), totaled 283,920 shares of common stock and 160 shares of the preferred stock. Directors and officers of the company as a group owned, of record and beneficially, a total of 276,604 shares of the common stock and 125 shares of the preferred.

AMERICAN PETROFINA FILES EMPLOYEE PLANS

American Petrofina, Incorporated, New York, filed a registration statement (File 2-15056) with the SEC on May 1, 1959, seeking registration of \$450,000 of interests in the Thrift Plan for Employees of American Petrofina, Incorporated, and Certain Subsidiaries, and \$76,000 of interests in the American Petrofina Employees' Stock Plan, together with 52,600 shares of its Common Stock, \$1 par value, which may be acquired pursuant to the plans.

DU PONT SALE OF PROPERTIES TO EMPLOYEES CLEARED

The SEC has issued an exemption order under the Investment Company Act (Release 40-2873) permitting E. I. du Pont de Nemours and Company, Wilmington, Del., to sell residential properties which it owns to its employees or to purchase residential properties from its employees. Du Pont is a subsidiary of Christiana Securities Company, which, in turn, is a subsidiary of Delaware Realty and Investment Company (both Christiana and Delaware Realty being registered investment companies). Because of this affiliation, du Pont's sale and purchase of residential properties to and from its employees is prohibited by the Investment Company Act unless the Commission grants an exemption from such prohibition. According to the company's application, du Pont has found it necessary over the years to build or acquire residential properties in areas near certain of its plant sites for rental to employees; but it is no longer necessary to supply rental housing in many areas in order to maintain a competent and experienced employee force at most locations, and the company now proposes to dispose of its residential properties in all cases where circumstances will permit.

HINSDALE RACEWAY CONSENTS TO STOP ORDER

Hinsdale Raceway, Inc., Hinsdale, N. H., has consented to the issuance of a stop order suspending the effectiveness of its registration statement, which proposed the public offering of capital trust certificates evidencing 1,000,000 shares of common stock and \$1,000,000 of 6% debenture notes. Proceeds were to be used for the construction of various track facilities. The consent to a stop order was embodied in a factual stipulation which will avoid the necessity of an evidentiary hearing; and, accordingly, the hearing, scheduled for May 4, 1959, has been cancelled. (For details, see Release 33-4066 or the SEC News Digest of April 8, 1959.) The Commission will now proceed with the preparation of its decision upon the basis of the stipulation and consent.

INTERNATIONAL MINING EXEMPTED FROM INVESTMENT COMPANY ACT

The SEC has issued an order (Release 40-2872) exempting International Mining Corporation (formerly National Department Stores Corporation) from the provisions of the Investment Company Act of 1940. The Commission found that the company, formerly engaged primarily in the retail department store business and now in the business of extraction of natural resources, is not engaged in business as an investment company. The exemption order is necessary for the reason that part of International Mining's business is conducted through a controlled subsidiary, Placer Development, Limited, and the securities of Placer are "investment securities" as defined in the Investment Company Act and constitute more than 40% of International Mining's total assets.

SEC PROPOSES REVISED RULE CHANGES FOR MERGERS AND SIMILAR TRANSACTIONS

The Securities and Exchange Commission today announced a revised proposal for changes in its rules under the Securities Act of 1933 relating to the issuance of securities in mergers, consolidations, purchases of assets and similar types of transactions. It invited the submission of views and comments thereon not later than June 1, 1959.

One of the revised proposals takes the form of an amendment to Rule 133. The amendment would include the circumstances under which securities redistributed by persons receiving them in such a transaction may be required to be registered under the Act. The revised proposals also include a proposed simplified form (Form S-14) which would provide a simplified procedure for the registration of such securities in cases where the issuer is subject to, and has solicited proxies for approval of the transaction pursuant to, the Commission's proxy rules. It provides that the prospectus used in the redistribution of the securities may consist chiefly of the information set forth in the proxy statement and may be in the form of a proxy statement meeting the requirements of the proxy rules. However, the information contained in the proxy statement would have to be supplemented by the necessary underwriting and distribution data and pertinent information regarding developments in the issuer's business subsequent to the Rule 133 transaction. Issuers not meeting the conditions for the use of the new form would use whichever of the Commission's other forms would be appropriate for use in the particular case.

SEC SEEKS INJUNCTION AGAINST SALE OF CORDILLERA MINING STOCK

The SEC Fort Worth Regional Office announced April 29, 1959, the filing of a complaint (USDC, ND Tex.) seeking to enjoin Robert Paul Creson, doing business as Creson and Company, Hobart David Lasseter, and Cordillera Mining Company, from violations of the registration provisions of the Securities Act in the offer and sale of Cordillera Mining stock and options to purchase stock.

CIVIC FINANCE PROPOSES STOCK OFFERING

Civic Finance Corporation, 633 North Water St., Milwaukee, filed a registration statement (File 2-15058) with the SEC on May 1, 1959, seeking registration of 30,000 shares of common stock, to be offered for public sale through Emch and Company and The Marshall Company, both of Milwaukee. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in commercial financing and supplies funds to business concerns located throughout Wisconsin and neighboring states. Net proceeds of the sale of its stock will be added to general funds of the company to provide additional working capital. The company now has outstanding 108,048 shares of common stock and 2,368 shares of preferred stock.

RAYTHEON MFG. REGISTERS SHARES

Raytheon Manufacturing Company, Willon St., Waltham, Mass., filed a registration statement (File 2-15059) with the SEC on May 1, 1959, seeking registration of 350,602 shares of its \$5 par common stock and 100,000 shares of 5-1/2% Series (Cumulative), Serial Preferred Stock, \$50 par.

The securities were or may be issued as a result of the merger, approved by Raytheon Stockholders on April 23, 1959, of Machlett Laboratories, Inc., into Raytheon Company (formerly Raytheon Manufacturing Company). Upon the merger, Machlett's issued and outstanding capital stock, consisting of 595,940 common shares (\$5 par) is to be converted into 100,000 shares of 5-1/2% (Cumulative) Serial Preferred Stock, and a minimum of 141,065 and a maximum of 235,108 of Raytheon's \$5 par common shares. The exact number of common shares is to be determined by dividing \$14,106,500 by the average of the closing prices of such stock on the New York Stock Exchange in the period January 1 through March 31, 1960. In addition, Machlett stockholders will receive 7,053 shares, plus 5% of the number of shares which are issued in excess of 141,065 shares, in adjustment under the agreement of merger for the 5% stock dividend declared by Raytheon on February 5, 1959, and paid on March 4, 1959, to stockholders of record February 19, 1959. The maximum number of common shares so issuable by Raytheon is 246,863.

The 5-1/2% Series preferred will be convertible until February 1, 1969, into Raytheon common at an initial conversion price of \$62.86. The number of common shares reserved for such conversion is 79,542.

Options for 44,180 shares of Machlett common were outstanding April 23, 1959, under that company's restricted stock option plan. Each such option was, at the time of merger, converted into an option to purchase the number of shares of Raytheon common to which a holder of Machlett shares equal in number to the optioned shares would be entitled on the effective date of merger, were he immediately to convert the shares of Raytheon 5-1/2% Series preferred into Raytheon common. The number of common shares reserved for this purpose is 24,197.

RAYTHEON MFG. FILES EMPLOYEE PLAN

Raytheon Manufacturing Company also filed a registration statement (File 2-15060) on May 1959, seeking registration of 414,066 common shares offered through its Key Employee Incentive Stock Options.

The said registration statement also includes 90,890 shares offered through common stock purchase warrants issued attached to its 4½% 1971 notes.

VOTING TRUST FOR SUPER VALU STORES FILED

The Voting Trustees under a Voting Trust Agreement of January 20, 1958, covering common stock of Super Valu Stores, Inc., Hopkins, Minn., filed a registration statement (File 2-15061) with the SEC on May 1, 1959, seeking registration of voting trust certificates for 169,663 shares of its common stock, being those shares which are now outstanding or now reserved for issuance upon exercise of outstanding options, (viz., 499,306 shares) which are not specifically covered by an earlier registration (No. 2-13918), (viz., 222,913 shares) and those which are not covered by said registration because issued as a stock dividend upon shares on deposit under the voting trust at the record date for the stock dividend (viz., 106,730 shares).

AMERICAN HOME PRODUCTS FILES STOCK OPTION PLAN

American Home Products Corporation, 22 East 40th St., New York, filed a registration statement (File 2-15062) with the SEC on May 1, 1959, seeking registration of 180,000 shares of capital stock, as to which options have been or may in the future be granted to management and other key employees under the company's Stock Option Plan.

FIDELITY TREND FUND FILES FOR OFFERING

Fidelity Trend Fund, Inc., Boston investment company, filed a registration statement (File 2-15063) with the SEC on May 1, 1959, seeking registration of 50,000 shares of capital stock. The fund was organized by Fidelity Management & Research Company and acquired its initial capital through offerings of 20,000 shares at \$10 per share ending June 16, 1958. It is now offering in Massachusetts additional shares of its stock at net asset value. The prospectus lists Edward C. Johnson, 2d as president and Fidelity Management as investment adviser. The Crosby Corporation has entered into a contract pursuant to which it will act as agent of the Fund in this offering.

CRUCIBLE STEEL PROPOSES PREFERRED, RIGHTS OFFERING

Crucible Steel Company of America, 535 Smithfield St., Pittsburgh, filed a registration statement (File 2-15064) with the SEC on May 4, 1959, seeking registration of 99,885 shares of Cumulative Convertible Preferred Stock, \$100 par. The company proposes to offer this stock for subscription by common stockholders at \$100 per share, at the rate of one share of preferred for each 38 common shares held. The record date, dividend rate, and underwriting terms are to be supplied by amendment. The First Boston Corporation is listed as the principal underwriter.

The company is engaged in a program for increasing capacities, diversifying products and improving operating practices, in connection with which it plans to install at its Midland Works a new multiple-stand continuous hot sheet and strip mill and auxiliary facilities and to improve its single-stand reversing roughing mill for use in conjunction with the new mill. The cost is estimated at \$23,000,000. A portion of the funds needed for the project will be provided from the net proceeds of the preferred stock sale; and, in addition, the company is negotiating the sale to institutional investors of \$15,000,000 of 5½% First Mortgage Bonds due 1984 to provide the balance of such funds.

POLY INDUSTRIES FILES FOR OFFERING AND SECONDARY

Poly Industries, Inc., 12177 Montague St., Pacoima, Calif., today filed a registration statement (File 2-15065) with the SEC seeking registration of 200,000 shares of common stock. Of this 100,000 are to be offered for public sale by the issuing company and the remaining 100,000 shares representing outstanding stock, by the present holders thereof. The prospectus lists Van Alstyne, Noel & Co. as the principal underwriter. The public offering price and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the manufacture of major components for gas turbine and jet engines, chiefly for the Allison Division of General Motors. Net proceeds of its proposed stock sale will be added to the general funds of the company to finance its working capital requirements, and to a lesser degree, to modernize, consolidate and expand its plant and equipment from time to time as required. The net proceeds initially will be applied to the extent of \$600,000 to reduce bank borrowings, but the company may borrow additional funds to be used for the above purposes as the needs of its business require.

Poly Industries now has outstanding 400,000 common shares. The prospectus lists ten selling stockholders, who own in the aggregate 372,870 shares. Owner of the largest block is Leo I. Kaplan, president and board chairman, who owns 232,982 and proposes to sell 66,642 shares. The other blocks being sold range from 719 to 7,651 shares.

PACKARD-BELL ELECTRONICS FILES FOR OFFERING AND SECONDARY

Packard-Bell Electronics Corporation, 12333 W. Olympic Blvd., Los Angeles, today filed a registration statement (File 2-15066) with the SEC seeking registration of 120,000 shares of capital stock. Of these shares, 100,000 are to be offered for public sale by the company and 20,000 for the account of a selling stockholder. The public offering price and underwriting terms are to be supplied by amendment. White, Weld & Co. is listed as the principal underwriter.

The company is engaged in the design, manufacture and sale of electronic products, including television, high fidelity and radio products for home use, and technical electronic products for use in the aircraft and missile industries and by the armed forces. Net proceeds of its proposed stock sale will be applied in the approximate amount of \$750,000 to the construction and equipping of a new plant in Newbury Park, Calif. Some \$3,000,000 will be applied to reduction of short-term bank indebtedness; and the balance will be added to working capital.

At April 15, 1959, the company had outstanding 692,100 shares of stock (in addition to other securities), of which the selling stockholder, H. A. Bell, board chairman, owns 126,000 shares (18%). He proposes to offer 20,000 shares for public sale.

MOHAWK RUBBER PROPOSES STOCK OFFERING

The Mohawk Rubber Company, 1235 Second Ave., Akron, O., today filed a registration statement (File 2-15067) with the SEC seeking registration of 15,000 shares of common stock, to be offered for public sale through an underwriting group headed by Kidder, Peabody & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also covers warrants to purchase 6,500 common shares, exercisable over a five-year period, which were sold to Kidder, Peabody in July 1958, and the shares issuable on the exercise thereof.

The company has received a conditional commitment from an insurance company for the purchase on or before December 15, 1959, contingent upon the sale of the common shares, of \$4,000,000 of its 5.85% Notes due 1974. Of the net proceeds of the sale of the notes, \$2,500,000 will be applied to the redemption of the company's 5-3/4% note due 1973. The remainder, plus the net proceeds of the stock sale, will be added to the general funds of the company and is expected to be applied to the purchase and installation of a Banbury Mixer, a mill line, ten curing vulcanizers, and related equipment at an estimated cost of \$1,500,000, and for additional working capital.

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