

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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Washington 25, D.C.

FOR RELEASE May 25, 1959

Statistical Release No. 1604

The SEC Index of Stock Prices, based on the closing prices of 265 common stock for the week ended May 22, 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:

	1939 = 100		Percent Change	1959	
	5/22/59	5/15/59		High	Low
Composite	428.4*	426.5	+0.4	428.4	400.1
Manufacturing	531.6*	529.9	+0.3	531.6	490.7
Durable Goods	500.9*	496.9	+0.8	500.9	457.8
Non-Durable Goods	549.6	550.0	-0.1	550.0	510.5
Transportation	362.4	356.0	+1.8	366.0	340.7
Utility	221.5	220.3	+0.5	231.8	208.6
Trade, Finance & Service	411.9*	410.8	+0.3	411.9	382.7
Mining	346.5	332.9	+4.1	360.4	327.6

*New High

MUTUAL MANAGEMENT PROCEEDINGS DROPPED

The SEC has discontinued proceedings under the Securities Exchange Act (Release 34-5970) to determine whether to revoke the broker-dealer registration of Mutual Management Company, of New York, by reason of its failure to file a financial report for 1957. At the hearing a showing was made that the failure to file the report was inadvertent, "due to an oversight on the part of the employee who was assigned the duty of forwarding such reports." The 1957 report as well as the report for 1958 were submitted at the time of the hearing and appear to comply with the applicable rule; and the company has filed reports for prior years and has instituted new procedure to insure the punctual filing of future reports. Accordingly, the Commission concluded that it was not necessary in the public interest to revoke the firm's registration.

VICTOR & COMPANY PROCEEDINGS DISMISSED

In a decision announced today (Release 34-5971), the SEC dismissed proceedings under the Securities Exchange Act to determine whether the broker-dealer registration of D. H. Victor & Company, New York, should be revoked for failure to file a financial report for 1957. It appears from the record of the hearing that the failure to file the report was unintentional; that David H. Victor (sole active partner) had relied on his attorney to file the report; and that when Victor learned of the failure to file the report he took prompt steps to comply with the rule and to insure timely compliance in the future. The 1957 report, as of December 31, 1957, and a further report of financial condition as of November 30, 1958, have been filed. Under the circumstances, the Commission concluded that revocation of registration was not necessary in the public interest.

SEC PARTICIPATION IN SHAWANO DEVELOPMENT REORGANIZATION NOTED

The Securities and Exchange Commission on May 20, 1959, filed a notice of appearance in the proceedings under Chapter X of the Bankruptcy Act for the reorganization of Shawano Development Corporation, pending in the United States District Court for the District of Wyoming.

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

OVER

On April 3, 1959, Shawano filed a voluntary petition for reorganization. On the same day, Judge Ewing T. Kerr approved the petition and appointed Eph U. Johnson as trustee and A. K. Swann, president of the debtor, as additional trustee. The debtor, a Florida corporation, lists as its principal asset several thousand acres of uranium claims in Carbon County, Wyoming, acquired in 1955, and an experimental "concentration plant" for processing uranium ore. The corporation is neither developing its claims nor operating its plant at the present time.

The 18,730,373 outstanding shares of common stock of the debtor are held by more than 18,000 persons. The principal promoter of Shawano was Alexander L. Guterma, who had control of the corporation until 1957; and Swann was associated with Guterma in this venture. Guterma until recently controlled F. L. Jacobs Co. and the Scranton Corporation, both of whom are undergoing reorganization pursuant to Chapter X.

SEC COMPLAINT NAMES ROBBINS & CO., CAYIAS & DELTA OIL

The Fort Worth Regional Office announced May 20, 1959, the filing of a complaint (USDC, Houston) seeking to enjoin Earl L. Robbins, individually and doing business as Robbins & Co., Jack L. Cayias (both of Houston), and Delta Oil Company of Utah, from further offer and sale of Delta Oil stock in violation of the Securities Act registration requirement, and to enjoin Robbins from further violations of the anti-fraud provisions of the Federal Securities Laws, the bookkeeping and the net capital rules, and Regulation T.

FUTTERMAN-DUPONT HOTEL PROPOSES OFFERING

Futterman-Dupont Hotel Company, 580 Fifth Ave., New York, filed a registration statement (File 2-15148) with the SEC on May 22, 1959, seeking registration of \$1,706,900 of Limited Partnership Interests.

The company is a limited partnership consisting of Robert A. Futterman, I. Theodore Leader and M. Joshua Aber, as General Partners, and Rosalie Futterman, Beatrice Leader, and eight other individuals as original Limited Partners. The partnership has purchased the land and the Dupont Plaza Hotel at Dupont Circle in Washington, D. C., from Sidney B. Fink as trustee for the stockholders of Dupont Plaza, Inc. The purchase price was \$4,565,000, of which \$1,565,000 was paid in cash and the balance by taking title subject to a \$3,000,000 mortgage. The partnership is offering \$975,000 of Limited Partnership interests to repay monies borrowed for the purposes of closing title and paying incidental acquisition costs. The original Limited Partners also are offering their Limited Partnership interests in the amount of \$731,900. The offering is to be made in \$25,000 units. The properties are leased for slightly over 21 years to Dupont Plaza, Inc., The Babin Company, Clinton B. Snyder, Max Siegel and Paul M. Schreiber.

McGRAW-EDISON FILES EMPLOYEE PLAN

McGraw-Edison Company, Elgin, Ill., filed a registration statement (File 2-15149) with the SEC on May 22, 1959, seeking registration of 10,000 participations in its Profit Sharing Plan for employees, together with 500,000 shares of common stock which may be acquired pursuant to said plan.

DREXELBROOK ASSOCIATES OFFERING PROPOSED

Drexelbrook Associates, Broad & Chestnut Sts., Philadelphia, filed a registration statement (File 2-15150) with the SEC on May 22, 1959, seeking registration of \$2,000,000 of partnership interests.

Associates is a limited partnership organized by Ellis Eisenstein and seven other individuals. The partnership proposes to acquire the land, buildings and other properties comprising the Drexelbrook Apartment Development at Drexel Hill, a suburb of Philadelphia. Limited partnership interests are to be sold in \$10,000 units. The general partners will contribute to capital, the contract for purchase of the property at an agreed value, for partnership purposes only, of \$250,000, and intend to invest in Limited Partners' Interests in the amount of \$500,000.

A nominee corporation has contracted to purchase (1) all the capital stock (except preferred held by FHA) of each of four corporations which own the land and buildings comprising the Drexelbrook Garden Apartments, subject to a FHA guaranteed mortgage of \$8,341,243; (2) the real estate,

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swimming pool and appurtenances (including restaurant facilities) occupied by the Drexelbrook Swimming & Tennis Club and Drexelbrook shopping center; and (3) all the stock of Drexelbrook, Inc., a management corporation presently operating the Property. The corporations so acquired will be liquidated. The gross acquisition cost and related expenses amount to \$4,130,000, of which \$2,150,000 of corporate funds are presently estimated to be available upon liquidation of the corporations being acquired.

TWO FUNDS SEEK REGISTRATION OF ADDITIONAL SHARES

The following investment companies have filed amendments to their respective registration statements seeking registration of additional securities, as indicated: Founders Mutual Depositor Corporation (File 2-10883), Denver, amendment filed May 21, 1959, for 1,000 Accumulative Plan Certificates and 100 Income Plan Certificates; and Trusteed Funds, Inc. (File 2-11653), Boston, amendment filed May 21, 1959, for 600 Commonwealth Fund Indenture of Trust Periodic Payment Plans A and 600 such Plans B.

GLASCO CORP. PROPOSES STOCK OFFERING

Glasco Corporation, 1500 West Fifth St., Muncie, Ind., today filed a registration statement (File 2-15151) with the SEC seeking registration of 100,000 shares of Common Stock, to be offered for public sale at \$10 per share through an underwriting group headed by Smith, Hague & Company, which will receive a selling commission of \$1 per share.

The company is engaged in the manufacture of commercial refrigeration with especial emphasis on those for use by the soft drink industry. It now has outstanding 2,150 shares of Common Capital Stock, which is convertible into Common Stock on the basis of 100 shares of Common Stock for each share of Common Capital Stock, over a period beginning July 1, 1960. Net proceeds of the sale of the 100,000 shares of Common Stock will be added to the general funds of the company to be used, together with retained earnings, to maintain its program of research and development in the over-all field of commercial refrigeration and more particularly in that of general vending-machine design. The proceeds will further be used to reduce or eliminate the necessity for seasonal short term bank borrowings.

AMERICAN-SOUTH AFRICAN FUND APPLIES FOR ORDER

American-South African Investment Company, Limited, Johannesburg, investment company, has applied to the SEC for an exemption order under the Investment Company Act permitting it through its custodian to exercise in South Africa the rights issued to it as a shareholder in other companies for the purchase of securities; and the Commission has issued an order (Release 40-2883) giving interested persons until June 5, 1959, to request a hearing thereon.

HEARING ORDERED ON SOUTHERN STATES SECURITIES

The SEC has scheduled a hearing for June 22, 1959, in its Atlanta Regional Office (Release 34-5975) in the proceedings under the Securities Exchange Act of 1934 to determine whether Southern States Securities Corporation, 1182 West Peachtree St., N. W., Atlanta, has violated the anti-fraud and other provisions of the Federal Securities Laws and, if so, whether its broker-dealer registration should be revoked and/or whether it should be suspended or expelled from membership in the National Association of Securities Dealers, Inc.

In its April 16, 1959, order authorizing the proceedings (Release 34-5936), the Commission charged, among other things, that Southern States Securities and its president, Robert B. Sherwood sold stock of Asco, Inc., and Continental Underwriters, Inc., in violation of the fraud prohibitions of the Securities Act by making false representations with respect to such securities.

DISCLOSURES IN BALLARD AIRCRAFT FILING CHALLENGED

Following Released to Washington Press Saturday, May 23, 1959.

The SEC has ordered proceedings under the Securities Act challenging the adequacy and accuracy of disclosures contained in a registration statement filed by Ballard Aircraft Corporation, Wash., D.C., which proposed the public offering of 300,000 common shares at \$3.25 per share through Weil & Company. The order states among other things that the prospectus fails to set forth in clear and concise fashion an "informative description of the speculative features of the offering, including the lack of commercial success of Registrant, its predecessors and affiliates in producing and marketing a 'Poppi Copter.'" A hearing is scheduled for June 8, 1959. (Release 33-4084)