

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

FOR RELEASE October 16, 1959

## PHOENIX SECURITIES HEARING POSTPONED

On request of counsel for the respondent, the SEC has postponed from October 19 to November 16, 1959, the hearing in the SEC New York Regional Office to determine whether Phoenix Securities Corp., 39 Broadway, New York City, violated the registration and anti-fraud provisions of the Securities Act in the offer and sale of common stock of General Oil & Industries Co., Inc., and, if so, whether its registration as a broker-dealer should be revoked and/or whether it should be suspended or expelled from the NASD.

## DELISTMENT OF PACIFIC MILLS STOCK PROPOSED

The SEC has issued an order under the Securities Exchange Act of 1934 giving interested persons until October 28, 1959, to request a hearing upon an application of the New York Stock Exchange to strike from listing and registration the capital stock of Pacific Mills.

According to the application, as of August 11, 1959, upon expiration of a purchase offer made by Burlington Industries, Inc., only 71,679 shares of Pacific Mills stock remained publicly held (by 130 holders of round lots and 372 holders of odd lots).

## CENTRAL PUBLIC UTILITY PLAN MODIFIED

The SEC has issued an order (Release 35-14075) approving an amendment to the previously-approved 1953 distribution plan of Central Public Utility Corporation.

The 1953 plan provided for the distribution to Cenpuc stockholders, on a pro rata basis, of the reclassified stock of its subsidiary, Central Indiana Gas Company. More recently, the Commission granted Cenpuc a conditional exemption from the Holding Company Act; and there is pending a proposal for consolidation of Cenpuc, Consolidated Electronics Industries Corp. and Philips Industries, Inc., into a new corporation to be named Consolidated Electronics Industries Corp. Holders of Cenpuc's 20-year 5½% Income Bonds have until August 31, 1960, to exchange their securities for shares of Cenpuc or the surviving company (Consolidated), or for \$28 per share in cash if they object to the consolidation.

Under the plan amendment, distribution of Central Indiana stock and dividends thereon may be made to persons becoming entitled to shares of the surviving company (Consolidated), or to those who elect to receive \$28 per share in lieu thereof; and after the distribution period undistributed shares of Central Indiana and dividends thereon will be surrendered to Consolidated.

## COLLINS RADIO FILES STOCK OPTION PLAN

Collins Radio Company, Cedar Rapids, Iowa, filed a registration statement (File 2-15721) with the SEC on October 15, 1959, seeking registration of 155,740 shares of common stock, to be issued pursuant to the company's Stock Option Plan for Executives and Key Employees.

## FINANCIAL PLANNING SEEKS PLAN REGISTRATION

Financial Planning Corporation, 101 Park Avenue, New York, filed a registration statement (File 2-15722) with the SEC on October 15, 1959, seeking registration of \$10,000,000 of Financial Plans (three types) for the accumulation of shares of Incorporated Investors.

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

## PUERTO RICO INDUSTRIES FILES FINANCING PROPOSAL

Puerto Rico Industries, Inc., P. O. Box No. 622, Little Rock, Ark., filed a registration statement (File 2-15724) with the SEC on October 15, 1959, seeking registration of 48,500 shares of Class A common, 200,000 shares of Class B common, and \$388,000 of 6% Subordinated Debentures due July 1, 1971. Except for 151,500 Class B shares allocated to the organizers of the company at par, the securities are to be offered for public sale in units. Each unit shall consist of \$4,000 of debentures, 500 Class A shares and 500 Class B shares, at an offering price of \$5,000 per unit. No underwriting is involved.

The company was organized under Arkansas law in March 1959, as was its subsidiary, Puerto Rico Meat Packing Company, Inc. They were organized for the purpose of operating a meat packing plant in Puerto Rico under the terms of a contract with Puerto Rico Industrial Development Company (Pridco). The contract was negotiated, commencing in 1957, by Chris E. Finkbeiner (of Little Rock), his two brothers, Otto and Joe, treasurer and secretary, respectively, and Robert M. Goff, vice president. It has been assigned to the subsidiary. Completion of the meat packing plant, to be located near Caugas (15 to 18 miles south of San Juan), is expected to be completed within eight months. Pridco will furnish the capital to build and equip the plant, and the subsidiary will furnish management and operating capital. The total cost of land, building, machinery and processing equipment is estimated at \$2,000,000. Upon completion, the plant will be leased to the subsidiary. The contract further provides for the organization of the parent and subsidiary corporations.

The capital of the subsidiary will consist of \$600,000, of which \$200,000 is to be common voting stock and the balance in non-voting securities. The parent is required to subscribe to the capital of the subsidiary, as follows: \$101,000 payable prior to the letting of any construction contract by Pridco; \$300,000 on or before completion of construction of the plant; and \$199,000, payable within two years thereafter.

The parent company, Puerto Rico Industries, will invest the proceeds of the current financing in securities of the subsidiary, namely, \$388,000 of 6% debentures of the subsidiary and \$212,000 in common stock of the subsidiary. The subsidiary will use its funds for operating capital. As of September 1, 1959, directors as a group had subscribed to 164,000 Class B shares, 12,500 Class A shares, and \$180,000 of debentures.

## ATLAS SEWING CENTERS FILES FOR DEBENTURE OFFERING AND SECONDARY

Atlas Sewing Centers, Inc., 7630 Biscayne Boulevard, Miami, Fla., filed a registration statement with the SEC (File 2-15723) on October 15, 1959, seeking to register \$2,000,000 of 6% convertible subordinated debentures, due November 1, 1974, to be offered for public sale at 100% of principal amount with a 6% commission to the underwriters, headed by Van Alstyne, Noel & Co., New York.

The registration statement also includes 75,000 shares of outstanding common stock to be offered for public sale by the present holders through the same underwriters. The offering price and underwriting terms will be supplied by amendment.

The company is engaged in the retail sale of sewing machines, vacuum cleaners and other household products. The proceeds from the proposed sale of debentures are to be used for the operation and expansion of the business, including the opening of new stores.

The company has outstanding 794,820 common shares in addition to other securities. The selling stockholders are Leo Kern, board chairman, 37,500; Herbert Kern, president, 31,000 and a trust for the children of Herbert Kern, 6,300 shares. After the stock sale Leo Kern will hold 60,154 shares, a trust for his children will hold 21,000 shares, Herbert Kern will own 23,069 shares, and the trust for his children will hold 56,700 shares.

## DELUXE ALUMINUM FILES FOR DEBENTURE AND STOCK OFFERING

Deluxe Aluminum Products, Inc., 6810 S. W. 81st Street, Miami, Fla., filed a registration statement (File 2-15725) with the SEC on October 15, 1959, seeking to register \$330,000 of convertible debentures and 60,000 shares of common stock. The debentures are to be offered for public sale at 100% of principal amount, with a commission to the underwriters of \$80 per \$1000 of debentures. The common shares will be offered at \$5 per share, with an underwriting commission of 60¢ per share.

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Bachs & Co. heads the list of underwriters.

The registration statement also includes an additional 10,000 outstanding shares of common stock, which may be sold by the present holders thereof over a period of five years to certain designated employees at \$5 per share. The company now has outstanding 247,500 common shares (in addition to certain indebtedness), of which 113,750 shares each are owned by Dave Davis, president, and Donald F. Anderson, vice president.

The company, together with its subsidiaries, Deluxe Screen Enclosures, Inc., Crown Door Company, Inc. and Magic - Aire Company, Inc., are engaged in the manufacture, fabrication and distribution of various aluminum products, including screened enclosures for swimming pools, verandas, porches and self storing storm doors. Net proceeds from sale of the securities are to be used to reduce certain indebtedness in the amount of \$30,000, to provide funds for completion of the company's 1960 expansion program, and to increase working capital.

#### COLORADO CENTRAL POWER PROPOSES RIGHTS OFFERING

Colorado Central Power Company, 3470 South Broadway, Englewood, Colo., today filed a registration statement (File 2-15726) with the SEC seeking registration of 66,490 shares of common stock, to be offered for subscription by holders of outstanding common stock of record November 6, 1959, at the rate of one new share for each ten shares then held. The subscription price 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 construction program involving expenditures aggregating \$7,635,000 for the years 1960, 1961, and 1962. It now has outstanding 662,078 common shares in addition to preferred stock, bonds and debentures. Net proceeds of the sale of additional stock will be applied to the construction program.

#### FRONTIER REFINING PROPOSES DEBENTURE OFFERING

The Frontier Refining Company, 4040 E. Louisiana Ave., Denver, Colo., today filed a registration statement (File 2-15727) with the SEC seeking registration of \$6,000,000 of 6% Convertible Subordinated Debentures, to be offered for public sale at 100% of principal amount through an underwriting group headed by J. A. Hogle & Co., Peters, Writer & Christensen, Inc., and Garrett-Bromfield & Co. The underwriting commission is to be \$52.50 per \$1000 debenture.

The company is engaged in the business of exploring for, producing and transporting oil and natural gas, of refining crude oil and of distributing petroleum products at wholesale and retail. Net proceeds of the debenture sale, estimated at \$5,651,800, are to be used to pay for common stock of Western States Refining Company, whose main refinery is located at North Salt Lake, Utah. Under a contract between the two companies, Western has agreed to transmit to its shareholders an offer by Frontier to purchase their Western stock at \$3.50 per share. This offer is applicable to 1,634,831 shares of Western stock, consisting of 1,374,548 shares outstanding July 31, 1959, plus 260,283 shares issuable on exercise of options held by certain officers and underwriters. The offer is conditioned, among other things, upon acceptance of Frontier's offer by deposit of at least 850,000 shares of Western stock by January 15, 1960.

#### HAYDON SECURITIES ENJOINED

The SEC Washington Regional Administrator announced October 15, 1959, that Judge Edwin D. Steel, Jr. (USDC, Del.) had enjoined Haydon Securities, Inc., its officers, employees, agents, and attorneys, from further sale of stock of C.&F. Electronics, Inc., in violation of the registration requirements of the Securities Act, and from further violation of Commission record-keeping rules under the Securities Exchange Act. The judgment of the court was entered by default.

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