

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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UNITED FUNDS RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3785) authorizing United Funds, Inc., Kansas City open-end investment company, to purchase up to 20,000 shares of stock of Nevada Power Company for the portfolio of United Science Fund, one of four classes of capital shares for which United Funds is the issuer. The stock is part of a 120,000-share offering proposed in a registration statement filed by Nevada Power on September 6, 1963. One of the directors of United Funds is a director of a broker-dealer firm which is expected to be one of the principal underwriters of the offering.

INLAND INVESTORS SEEKS ORDER. Inland Investors, Inc., Cleveland closed-end investment company, has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company; and the Commission has issued an order (Release IC-3786) giving interested persons until October 25, 1963 to request a hearing thereon. According to the application, a total of 584,979 capital shares of Broad Street Investing Corporation, of New York, was exchanged for substantially all of Inland's assets pursuant to stockholders' approval given in April 1962, and the dissolution of Inland was completed in May 1962. At the time of dissolution 100,000 outstanding shares were held by 695 shareholders, and since that time all of the shareholders have sent in their shares and have received in exchange capital shares of Broad Street and 47¢ per share in cash. Inland represents that all obligations and liabilities have been paid, and that it has ceased to be an investment company.

CENTRAL AND SOUTH WEST SEEKS ORDER. Central and South West Corporation, Wilmington registered holding company, and one of its utility subsidiaries, Public Service Company of Oklahoma, have applied to the SEC for an order under the Holding Company Act authorizing the subsidiary to (1) increase the number of its authorized common shares from 6,000,000 to 8,000,000 shares, (2) pay to Central a \$7,500,000 cash dividend on its common stock out of earned surplus (which at June 30, 1963 amounted to \$13,924,186) and (3) issue and sell to Central 750,000 common shares for \$7,500,000. The Commission has issued an order (Release 35-14954) giving interested persons until October 30, 1963 to request a hearing thereon. According to the application, the purpose of the proposed transactions is to satisfy a commitment previously made by Public Service to transfer in 1963 unrestricted earned surplus in an amount not less than \$6,000,000 to its common stock capital account.

NEW ENGLAND POWER FILES FINANCING PLAN. New England Power Company, Boston utility subsidiary of New England Electric System, a registered holding company, has applied to the SEC for an order under the Holding Company Act authorizing its sale at competitive bidding of \$10,000,000 of first mortgage bonds (series K) due 1993 and 100,000 shares of cumulative preferred stock (\$100 par); and the Commission has issued an order (Release 35-14955) giving interested persons until October 30, 1963 to request a hearing thereon. As reported in the News Digest of October 8, the company intends to use the proceeds from this financing to pay some \$20,000,000 of outstanding short-term notes and to pay for construction expenditures or reimburse the treasury for such expenditures. Construction expenditures for the period August 1963 through December 1966 are estimated at \$35,000,000.

BALANCED INCOME FUND FILES FOR STOCK OFFERING. Balanced Income Fund, Inc., 120 South LaSalle St., Chicago, filed a registration statement (File 2-21789) with the SEC on October 7 seeking registration of 2,000,000 shares of common stock, to be offered for public sale at net asset value (maximum \$8.72 per share*) plus underwriting commissions varying from 8½% to 1%, depending upon the amount of purchase. Supervised Investors Services, Inc., of Chicago, is the Fund's investment manager and underwriter.

Organized under Maryland law in September 1963, the Fund is a diversified, open-end, fully managed investment company. According to the prospectus, it offers an investment program "seeking to provide a balanced investment with generous income and reasonable opportunity for growth of principal and income. The prospectus further states that normally a substantial portion of the Fund's assets will be invested in common stocks. Chester D. Tripp is president of the Fund and board chairman of the manager. The investment manager is 40% owned by Kansas City Southern Industries, Inc.

SIDE SHOW COMPANY FILES FOR OFFERING. The Side Show Company, a proposed limited partnership, 1545 Broadway, New York, filed a registration statement (File 2-21787) with the SEC on October 7 seeking registration of \$350,000 of limited partnership interests, to be offered for public sale at \$7,000 per interest. The offering will be made by the general partner, Kermit Bloomgarden Productions, Inc. AML Enterprises, Inc. and Burthen Productions, Inc. have agreed to assist in procuring financing for the play.

The partnership will be formed under New York law when the \$350,000 has been raised as a result of this offering, for the purpose of producing a dramatico-musical play tentatively entitled "Side Show."

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Arthur Laurents is the bookwriter and Stephen Sondheim the composer-Lyricists (they also own AML Enterprises and Burthen Productions). The general partner, which is owned by Kermit Bloomgarden (and his two minor sons) will receive 50% of the net profits of the partnership for which it will make no cash contribution; and it has in turn agreed to pay 15% of the net profits out of its share to AML Enterprises and Burthen Productions for their agreement to assist in procuring financing. For services as producer of the play, the general partner will also receive \$300 a week for each company of actors formed to present the play. The authors will receive up to 9% of gross weekly box office receipts. Laurents will also direct the play and receive a fee of \$5,000 for the original company and up to 3% of all gross weekly box office receipts.

APOLLO INDUSTRIES FILES FOR SECONDARY. Apollo Industries, Inc., 1915 Frick Building, Pittsburgh, filed a registration statement (File 2-21788) with the SEC on October 7 seeking registration of 24,000 outstanding shares of common stock and \$300,000 of outstanding 4-3/4% convertible debentures due 1971. The common stock may be offered for public sale by the holders thereof from time to time on the American Stock Exchange at then current prices (maximum \$10.75 per share); and the debentures may be offered at negotiated prices in over-the-counter transactions or with institutional investors.

The company, through subsidiaries, is engaged in a variety of businesses, including the bulk manufacture of dispersing agents, chemical stabilizers, processing aids and hydrocarbon resins; the development, manufacture and installation of toll revenue collection systems, inventory control systems, electronic control scales and equipment, special purpose printers and data recorders; the manufacture of double apron spinning drafting systems; the manufacture of single crystal materials, devices and components for the microwave and solid state electronics industry; and the operation of a small business investment company. In addition to certain indebtedness and preferred stock, the company has outstanding 598,283 shares of common stock, of which management officials as a group own 13.86%. David Lowenthal is president and I. F. Levitt is board chairman. The prospectus lists 5 selling stockholders, including Victor Elmaleh who proposes to sell 7,434 shares of 16,396 shares owned. Eight selling debenture holders are listed, including Reuben Thorson (\$100,000).

SECURITIES ACT REGISTRATIONS. Effective October 8: The B. V. D. Company, Inc. (File 2-21686) Withdrawn October 8: National Patent Development Corp. (File 2-21542).

* As estimated for purposes of computing the registration fee.

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