

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)



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CROWLEY'S MILK CO. FILES FOR RIGHTS OFFERING

Crowley's Milk Company, Inc., 145 Conklin Ave., Binghamton, N. Y., filed a registration statement (File 2-14878) with the SEC on March 26, 1959, seeking registration of 60,000 outstanding shares of its \$20 par Common Stock. According to the prospectus, these shares are to be offered by the holders thereof, primarily to "investors, including employees of the company, who in the past have endeavored to buy stock issued by the company." Small blocks of the offering may be made available to local brokers for sale to their customers. No underwriting is involved.

The company operates a milk and milk products receiving, processing, manufacturing, selling and distributing business. It has outstanding 209,925 common shares. The prospectus lists eleven selling stockholders, who propose to sell part of their respective holdings in amounts ranging from 1,150 to 17,100 shares. Among these are Francis Crowley, president, 17,100 of 56,160 shares held; J. Elmer Crowley, vice president, 11,600 of 38,250; Vincent Crowley, secretary, 8,325 of 27,450; and Frank L. Crowley, production manager, 8,100 of 26,700.

UNITED GAS FILES EMPLOYEE PLAN

United Gas Corporation, 1525 Fairfield Ave., Shreveport, La., filed a registration statement (File 2-14879) with the SEC on March 26, 1959, seeking registration of \$12,600,000 of Participations in the Employees Stock Purchase Plan of United Gas Corporation, United Gas Pipeline Company, and Union Producing Company, together with 300,000 shares of United Gas common stock which may be acquired pursuant to the plan.

ARKANSAS POWER FILES FOR PREFERRED STOCK OFFERING

Arkansas Power & Light Company, Ninth and Louisiana Sts., Little Rock, filed a registration statement (File 2-14880) with the SEC on March 26, 1959, seeking registration of 75,000 shares of its \$100 par Preferred Stock, Cumulative, to be offered for public sale at competitive bidding.

Net proceeds of the sale of the preferred stock will be used for property additions and improvements. The company's construction program is expected to result in \$30,100,000 of expenditures in 1959.

CHADBOURN GOTHAM FILES FINANCING PROPOSAL

Chadbourn Gotham, Inc., 2417 North Davidson St., Charlotte, N. Car., filed a registration statement (File 2-14881) with the SEC on March 26, 1959, seeking registration of \$3,000,000 of 5.90% Convertible Subordinated Debentures, due April 1, 1971 (with warrants to purchase 300,000 shares of common stock). The debentures (with warrants) are to be offered for subscription by common stockholders at the rate of \$100 principal amount of debentures (with warrant for purchase of 10 shares) for each 68 common shares held. The record date, subscription price and underwriting terms are to be supplied by amendment, as is the exercise price of the warrants. R. S. Dickson & Company, Inc., is listed as the principal underwriter.

The company is engaged in the preparation of yarns for the manufacture of hosiery, in the knitting or finishing of women's hosiery and men's half hose; in the cutting, sewing and finishing

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of lingerie and of men's work garments and sportswear; and in the production of quarry products. Net proceeds of this financing will provide additional working capital to finance the company's expanding business and will currently be applied to the reduction of short term bank loans which have financed the expansion of its operations.

THERMOPLASTICS PROPOSES STOCK OFFERING

ThermoPlastics Corporation, 1626 Hertford Rd., Charlotte, N. Car., filed a registration statement (File 2-14882) with the SEC on March 26, 1959, seeking registration of 468,500 shares of \$1 par Common Stock. The company proposes to offer the stock for public sale at \$1 per share. The offering is to be made on a best efforts basis by Interstate Securities Corporation, of Charlotte, for which it will receive a selling commission of \$.095 per share. The company also has granted to the underwriter, without cost to it, options to purchase 46,850 common shares at \$1 per share at any time through 1960, and thereafter through 1964 at a price which increases at the rate of 25¢ each year. The company also has sold warrants at .1¢ per share to promoters and founders and initial subscribers, for the purchase of 39,500 shares at the same price; and it has reserved warrants for an additional 24,150 shares which may be sold pursuant to the company's Employee Restricted Stock Option plan. Under such plan, the company has granted options for 89,500 shares to key employees, including John B. La Pointe, president (39,500 shares) and Gordon H. Fernald (35,000).

The company was organized on March 6, 1959, under North Carolina laws for the purpose of engaging in the business of producing and selling plastic pipe, fittings and related products. It has not yet engaged in business and has no manufacturing machinery or equipment for use in its proposed business. Management officials have purchased 51,000 common shares for \$51,000. Net proceeds of the stock offering will be added to the company's general funds for the purpose of purchasing necessary capital equipment in the approximate amount of \$125,000 and for supplementing working capital with the balance of approximately \$290,200. The plant is to be established in Mecklenburg County, North Carolina. A concrete and brick warehouse-type building has been leased at 4123 Mount Holly Road near Charlotte.

PHILCO PROPOSES DEBENTURE OFFERING

Philco Corporation, Tioga and "C" Sts., Philadelphia, filed a registration statement (File 2-14883) with the SEC on March 26, 1959, seeking registration of \$20,000,000 of Convertible Subordinated Debentures, due April 15, 1984, to be offered for public sale through an underwriting group headed by Smith, Barney & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the financing will be added to the general funds of the company and will be available for general corporate purposes. In addition to normal replacements and improvements the company contemplates capital expenditures through 1961 aggregating approximately \$21,000,000, substantially all of which is for additional plant and equipment for the manufacture of transistors by its subsidiary, Lansdale Tube Company, and for the manufacture by the company of electronic computers, the balance to be used for equipment for a new research center.

Immediately following the sale of the debentures, \$19,000,000 will be used to reduce temporarily the current indebtedness of the company and its unconsolidated subsidiary, Philco Finance Corporation. Of such amount \$10,000,000 will be used to repay the presently outstanding balance of the company's short term V-Loan notes issued to provide working capital in connection with defense production contracts and \$9,000,000 will be applied to the payment of short term bank borrowings of Philco Finance Corporation incurred primarily to finance sales of the company's products. It is expected that the company's V-Loan borrowings and Philco Finance Corporation's short term bank borrowings will be increased in the near future in the ordinary course of business and will be further increased from time to time as construction of the transistor and computer facilities progresses.

REPUBLIC FOIL PROPOSES RIGHTS OFFERING

Republic Foil Inc., 55 Triangle St., Danbury, Conn., filed a registration statement (File 2-14884) with the SEC on March 26, 1959, seeking registration of 70,196 shares of Common Stock. The stock is to be offered for subscription by holders of outstanding shares upon the basis of one new share for each three shares held. The record date, subscription price and underwriting

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are to be supplied by amendment. Laird & Company, Corporation is listed as the principal underwriter.

The company is engaged in the manufacture of plain unbacked aluminum foil. Net proceeds of its stock offering will be added to the general funds of the company and initially will be used to purchase land, erect a building and purchase equipment for the expansion of its etched foil division estimated to require \$575,000. The balance of the proceeds to the extent available will be used to retire bank loans of \$200,000 with remainder, if any, added to working capital.

B. S. F. CO. FILES FOR RIGHTS OFFERING

B. S. F. Company, 818 Market St., Wilmington, Del., filed a registration statement (File 2-14885) with the SEC on March 26, 1959, seeking registration of 113,079 shares of its \$1 par Capital Stock and Warrants for the purchase of an additional 113,079 shares. The company proposes to offer these securities in units, each unit consisting of one share of stock and one warrant. The units are to be offered for subscription by stockholders of record April 21, 1959, at the rate of one unit for each three shares then held. The subscription price and underwriting terms are to be supplied by amendment. (The warrants will carry an initial exercise price of \$20.) Sutro Bros. & Co. is listed as the principal underwriter. The company has agreed to sell the underwriters 30,000 stock purchase warrants having the same terms as those in the units for a total price of \$3,000.

The company is not an operating company but has direct and indirect controlling interests in a number of affiliated companies engaged in various industrial and financial businesses. It owns a 23% stock interest in The American Hardware Corporation, all outstanding stock of New York Factors, Inc., and 8% of the outstanding stock of United Industrial Corporation. American Hardware owns a 50.3% stock interest in Savage Arms Corporation. The net proceeds of this stock offering will initially be added to the general funds of the company and will be available for general corporate purposes. It is anticipated that these proceeds will be used to reduce certain bank loans and to increase the company's investment in American Hardware, in Savage Arms, in United, and in Factors.

ALSCOPE EXPLORATIONS FILES FOR OFFERING

Alscope Explorations Ltd., 303 Alexandra Building, Edmonton, Alberta, Canada, filed a registration statement (File 2-14886) with the SEC on March 26, 1959, seeking registration of 1,000,000 shares of its capital stock. The company proposes the public offering of 700,000 shares in the United States at prices related to the then current market for outstanding shares of the company on the Canadian Stock Exchange (31¢ on March 16, 1959). No underwriting is involved.

According to the prospectus, the company also has entered into an option agreement with Easton Investments Limited, of Montreal, under which 300,000 shares of Alscope stock have been acquired for Easton's account with Forget & Forget for \$75,000. These 300,000 shares are to be offered by Forget & Forget, as agents for Easton, in Canada on the Canadian Stock Exchange at the same time that the 700,000 shares are being offered by Alscope in the United States.

The company holds interests in mineral claims and in several oil and gas properties; and, according to the prospectus, it also owns a process, in the development stage, for the production of titanium and other refractory metals for which patent rights have been granted in Canada and application for patents are pending in the United States. Its activities are concerned with exploration of certain of its mineral, oil and gas leases and the development of its process for production of refractory metals. The company has had no commercially profitable operations and no earnings.

Net proceeds to the company from its proposed stock sale are estimated at \$186,000, assuming all 700,000 shares are sold at 31¢ per share. The proceeds will be added to company funds and used as follows: \$3200 for expenses in exploring mineral claims in the Kentucky Lake area of High-land Valley in British Columbia; \$40,000 for acquisition of additional oil and gas properties; \$20,000 for maintaining leases and in making farm-out arrangements for exploratory drilling and development of oil and gas acreage; \$10,000 to continue experimental research work on the company's process and to pursue U. S. patent applications; and the balance for operations and expenses.

The company has outstanding 6,649,333 shares, of which 5,227,905 are said to have been issued for properties and 1,421,428 for \$536,729 cash. Nicholas Martini of Passaic, N. J., is listed

as president. Management officials own 755,856 (11.36%) of the outstanding shares (not including 191,184 shares owned by Martini's wife.)

CENTRAL POWER BOND OFFERING CLEARED

The SEC has issued an order under the Holding Company Act (Release 35-13963) authorizing Central Power and Light Company, Corpus Christi, Texas, to issue and sell at competitive bidding \$11,000,000 of First Mortgage Bonds, Series I, due April 1, 1989. Net proceeds of the bond sale will be used to pay part of the company's construction expenditures for 1959, estimated at \$23,450,000, and to pay or prepay \$4,800,000 bank loans obtained for such purposes.

UNIFIED FUNDS STOCK SALE EXEMPTED

The SEC has issued an exemption order under the Investment Company Act (Release 40-2847) permitting Unified Funds, Inc., Indianapolis, Ind., investment company, to sell stock of Unified Reserve Life Insurance Company to Unified Underwriters, Inc., parent of the other two companies and underwriter for Unified Funds securities. The Insurance Company has outstanding 41,000 common shares with a \$15.07 book value per share at December 31, 1958. Underwriters propose to acquire at \$25 per share all of the 1,900 shares (4.6%) held by Unified Funds.

TEMPORARY EXEMPTION GRANTED FOR REDUCED SALES LOAD

The SEC has issued an exemption order under the Investment Company Act (Release 40-2848) permitting Investors Diversified Services, Inc., to sell shares of its affiliated companies to three associations on the basis of a reduced sales load applicable to quantity purchases, to and including August 20, 1959. The associations are the Los Angeles Physicians Retirement Association, the Los Angeles Dentists Retirement Association, and University Retirement Investment Association.

SEC ACTS UPON BOSTON EXCHANGE APPLICATIONS

The SEC has issued orders (Release 34-5920) giving interested persons until April 8, 1959, to request a hearing upon an application of the Boston Stock Exchange for unlisted trading privileges in the common stock of The Babcock & Wilcox Company; and the Commission has issued orders granting applications of the said Exchange for such privileges in the common stocks of Food Fair Stores, Inc., Upjohn Company, and Wilson & Co., Inc. All four stock issues are listed and registered on the New York Stock Exchange.

The Commission also has issued an order (Release 34-5920) granting a similar application of the American Stock Exchange for unlisted trading privileges in the common stock of The Ohio Brass Company, which is listed and registered on the Midwest Stock Exchange.

An order also has been issued by the Commission (Release 34-5920) granting an application of the Philadelphia-Baltimore Stock Exchange to delist the capital stock of The National Capital Bank of Washington, effective at the close of the trading session March 31, 1959. The application was filed at the request of the Bank, due to inactive trading in the stock.

KEYSTONE CUSTODIAN FUNDS FILES FOR SECONDARY

Keystone Custodian Funds, Inc., 50 Congress St., Boston, today filed a registration statement (File 2-14887) with the SEC seeking registration of 90,600 shares of its Class A common stock. Of this stock, 53,000 shares are presently outstanding and are to be offered for sale by the holder thereof through Clark, Dodge & Co. The public offering price and underwriting terms are to be supplied by amendment. The company will not receive any part of the proceeds.

Since 1932 the company has provided management service to ten mutual fund companies. It has outstanding 332,400 Class A shares and 16,620 Class B shares. The selling stockholder is S. L. Sholley, president, who is listed as the holder of 4,060 shares (60.6%) of preferred stock, 23,300 shares (71.7%) of Class A stock, and 11,925 shares (71.7%) of the Class B stock. Sale of the shares will reduce his holdings to 185,500 Class A shares, or 55.8%.

The remaining 37,600 shares are to be offered from time to time by Keystone Custodian Funds, Inc., pursuant to the terms of its Employee Stock Option Plan.

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ST. REGIS PAPER FILES EXCHANGE OFFER

St. Regis Paper Company, 150 E. 42nd St., New York, today filed a registration statement (File 2-14888) with the SEC seeking registration of 58,000 shares of its \$5 par Common Stock. St. Regis proposes to offer this stock in exchange for outstanding shares of the common stock of Cupples-Hesse Corporation on the basis of .644 of a share of St. Regis common for each share of Cupples common. St. Regis will declare the exchange offer effective if 100% of the outstanding shares of Cupples stock is deposited in exchange, and may elect to do so if a lesser percent, but not less than 80%, is deposited.

The purpose of the exchange offer is to enable St. Regis to control the business operations and policies of Cupples. Cupples and its subsidiaries produce a full line of envelopes and Cupples itself also produces shipping and merchandise tags. It has offices in St. Louis and Detroit.

COOPER TIRE & RUBBER FILES FINANCING PROPOSAL

Cooper Tire & Rubber Company, Lima and Western Avenues, Findlay, O., today filed a registration statement (File 2-14889) with the SEC seeking registration of \$3,500,000 of Senior Sinking Fund Debentures (with Warrants), to be offered for public sale at 100% of the principal amount of the debentures through an underwriting group headed by Paine, Webber, Jackson & Curtis and Prescott, Shepard & Co., Inc. The interest rate and underwriting terms, as well as the terms of the warrants, are to be supplied by amendment.

Cooper Tire and subsidiaries manufacture and sell passenger and truck tires and tubes for replacement purposes and certain tire repair materials. It also manufactures industrial rubber products. It has been engaged in a program of modernization and expansion of productive facilities; and the expenditures for this and the increased volume of business have been financed in part by a term loan now amounting to \$2,150,000. Net proceeds of this financing will be used to retire this loan and for the purchase and installation of a dual tube production line expected to cost some \$600,000, which is expected to facilitate further expansion of the company's tire manufacturing capacity and result in economies. The balance of the proceeds will be used to provide additional working capital.

NATIONAL LIFE AND CASUALTY PROPOSES OFFERING

National Life & Casualty Insurance Company, 2300 North Central Ave., Phoenix, Ariz., filed a registration statement (File 2-14890) with the SEC on March 25, 1959, seeking registration of 250,000 shares of its Common Capital Stock. The company proposes to offer the stock for sale at \$4.44 per share to holders of certain of its life insurance policies issued on or prior to December 31, 1955, and to certain employees. Promotional commissions are payable in stock at 10% of the gross purchase price, to Robert H. Wallace, president, and to such other directors as the board may designate.

According to the prospectus, the company made an offer in 1953 to its Charter policy holders and to its future coupon policy holders, of 900,000 shares of common stock. All such stock was offered subject to exhaustion by prior issuance. The offering has recently been completed, although because the offered 900,000 shares were exhausted somewhat earlier than anticipated, some policy holders were not enabled to reserve as much stock as they had originally anticipated. The present offering is designed to permit charter, coupon and other policy holders who did not secure all the stock they expected to receive to apply future dividends and coupon values to the purchase of stock. Net proceeds will be added to the capital and surplus of the company, for use in the expansion of the company's activities into states other than Arizona, Colorado, New Mexico and Utah, its present territory.

SANTA'S VILLAGE FILES FOR DEBENTURE OFFERING

Santa's Village, Skyforest, Calif., today filed a registration statement (File 2-14891) with the SEC seeking registration of \$800,000 of 6% Subordinated Sinking Fund Debentures, due 1974 (convertible). The company proposes to offer the debentures for public sale at 100% of principal amount, with a 9% commission to company officials and others who act as sales agents.

The company, directly and through four subsidiaries, operates a family recreation park at
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Skyforest, near Lake Arrowhead, and another such park near Santa Cruz; and it is in the process of constructing a third Village in East Dundee, near Chicago. Net proceeds of the sale of the debentures will be applied (with treasury cash) to the completion of the East Dundee Village, at a cost of some \$430,000; for advertising, \$150,000; and for operating capital, \$253,000.

SINCLAIR OIL FILES SAVINGS PLAN

Sinclair Oil Corporation, 600 Fifth Ave., New York, today filed a registration statement (File 2-14892) with the SEC seeking registration of \$16,000,000 of participations in its Employees Savings Plan, together with 200,000 shares of its common stock which may be acquired pursuant thereto.

SEABOARD PLYWOOD FILES OFFERING PROPOSAL

Seaboard Plywood and Lumber Corporation, 17 Bridge St., Watertown, Mass., today filed a registration statement (File 2-14893) seeking registration of 150,000 shares of its common stock and warrants for the purchase of 20,000 shares. The stock is to be offered for public sale at \$3 per share. The offering is to be made on a best efforts basis by Peter Morgan & Company of New York, for which a 45¢ per share selling commission is to be paid. The company also has agreed to pay up to \$10,000 of the underwriter's expenses and to sell the underwriter for the sum of 1¢ each, warrants to purchase 20,000 common shares at \$3 per share until April 15, 1964.

Net proceeds of the stock sale are to be used for the expansion of present product lines and acquisition of new related lines. The prospectus indicates that the company has been approached by several owners of small closely held plywood, lumber, or millwork wholesalers who, either for the reason of retirement or liquidity, wish to exchange their ownership for cash or for a more marketable security. Of the proceeds, \$100,000 will be applied to the expansion of the activities of a newly-acquired pine lumber business; \$100,000 for addition to plywood inventory at Hartford; and the balance to increase existing inventories and working capital.

INVESTORS PLANNING FILES FOR ADDITIONAL SECURITIES

Investors Planning Corporation of America, New York investment company, filed an amendment on March 27, 1959, to its registration statement (File 2-14165) seeking registration of an additional \$21,000,000 Systematic & Single Payment Investment Plans.

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