

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



Washington 25, D.C.

FOR RELEASE March 13, 1957

Holding Company Act Release No. 13415

The SEC has issued an order authorizing the sale of additional common stock by Eastern Utilities Associates (Boston). EUA proposes to offer an additional 89,322 shares of its common stock for subscription by its stockholders, on the basis of one new share for each 12 shares held on March 20, 1957. The offering is to be underwritten by means of competitive bidding, the subscription price to be determined by EUA. EUA proposes to use the proceeds to purchase its proportionate part of additional common shares to be issued by its subsidiaries, Blackstone Valley Gas and Electric Company, Brockton Edison Company, and Fall River Electric Light Company, as to which the Commission reserved jurisdiction.

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Vitro Corporation of America, New York City, filed a registration statement (File 2-13153) with the SEC on March 13, 1957, seeking registration of 178,646 shares of its 50¢ par Common Stock. The company proposes to offer the stock for subscription by its common stockholders at the rate of one new share for each five shares held. The record date, subscription price and underwriting terms are to be supplied by amendment. Blyth & Co., Inc., is named as the principal underwriter.

According to the prospectus, the total estimated cash cost to Vitro of its expansion and capital investment program in 1957 will require up to \$7,000,000 in excess of cash expected to be available from current operations and amortization and depreciation charges. This estimate includes provision for additional working funds which are expected to vary between \$750,000 and \$2,500,000 depending on the volume of Vitro's construction business in the course of the year. It is expected that approximately the amount of the net proceeds realized by Vitro from the sale of the stock will be used initially to reduce bank borrowings. In the course of 1957, it intends to make additional bank borrowings, plus borrowings of \$1,200,000 to be secured by a mortgage on its Silver Spring, Md., laboratory. Funds thus realized will be used in carrying out the expansion and capital investment program.

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Reynolds Metals Company, Richmond, Va., filed a registration statement (File 2-13154) with the SEC on March 12, 1957, seeking registration of 900,000 shares of its \$1 par Common Stock. The company proposes to offer the stock for subscription by holders of its outstanding common stock. The record date, rate of subscription, subscription price and underwriting terms are to be supplied by amendment. Dillon,

Read & Co., Inc., and Reynolds & Co., Inc., are listed as principal underwriters.

According to the prospectus, the company plans to construct an aluminum reduction plant in the State of New York, on or near the St. Lawrence River, with an annual rated capacity of 100,000 tons of primary aluminum, to increase its facilities for the production of alumina by approximately 182,500 tons per annum, and to increase its sheet and plate fabricating capacity by approximately 120,000 tons per annum. It is contemplated that the reduction plant will begin operations in the spring of 1959 and will reach full-scale operations during 1960. The company estimates that it will cost approximately \$150,000,000 to construct the plant and increase its sheet fabricating capacity and alumina capacity, and proposes to finance such cost by the sale of the additional common stock, the sale of \$100,000,000 of First Mortgage Bonds, Series C, to institutional investors and the borrowing from banks of \$15,000,000. The sale of the bonds and the bank borrowings are scheduled to be made during the first half of 1958.

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United States Foil Company, Richmond, Va., filed a registration statement (File 2-13155) with the SEC on March 12, 1957, seeking registration of 740,000 shares of its \$1 par Class B Common Stock. The company proposes to offer this stock for subscription by holders of its Class A and Class B common stock. The record date, subscription price and underwriting terms are to be supplied by amendment. Dillon, Read & Co. Inc. and Reynolds & Co., Inc., are listed as the principal underwriters.

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Bell & Howell Company, Chicago, today filed a registration statement (File 2-13156) with the SEC seeking registration of 100,000 shares of its \$10 par Common Stock, to be offered for public sale through an underwriting group headed by Harri-man Ripley & Co., Inc., and Lazard Freres & Co. The initial public offering price of the shares will be a fixed price related to the current market price of the stock on the New York Stock Exchange immediately prior to the offering. Underwriting terms are to be supplied by amendment.

The company also proposed to sell privately \$4,000,000 of 25-Year 4-3/4% Subordinated Notes convertible into Common Stock. The net proceeds from the sale of the notes and stock will be added to the cash funds of the company and will be available for general corporate purposes. The company proposes to use part of the proceeds to repay short-term bank loans outstanding in the amount of \$4,500,000. Of such bank loans, the company estimates that \$2,000,000 represents borrowing to finance capital expenditures. Projected expenditures for capital improvements for the balance of 1957 and for 1958 aggregate approximately \$6,000,000, of which approximately \$2,350,000 will be for new buildings and building improvements, and the balance for machinery and equipment.

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