

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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(Issue No. 66-16)

FOR RELEASE January 24, 1966

REED WHITNEY & STONEHILL REVOKED. The SEC today announced the issuance of an order under the Securities Exchange Act (Release 34-7800) revoking the broker-dealer registration of Reed, Whitney & Stonehill, Inc., ("RW&S"), of Hempstead, L.I., New York. The order also barred from further association with broker-dealer firms: (1) Milton Steinberg, an officer of RW&S prior to June 14, 1962 and (2) Russell Siebach, president since March 1962.

The Commission's order was based upon an initial decision of Hearing Examiner Samuel Binder, filed on October 20 in private proceedings initiated against the said firm and individuals and two other respondents. The Examiner had ruled, among other things, that during the period February-August 1962, RW&S and Steinberg had violated the anti-fraud provisions of the Securities Act in the offer and sale of stock of Flex-I-Bush, Inc., which was said to be a "highly speculative venture with enormous risks for the investor." They failed to inform investors that the offering circular contained false and misleading statements and, instead of acting in a responsible manner, "chose to sell Flex-I-Bush stock by deluding purchasers into the belief that quick and large profits would come from a very rapid rise in the price of issuer's stock . . ." The Examiner also held that RW&S and Siebach violated the Commission's reporting requirements by failing to amend the firm's registration application to disclose prior findings of the Commission that Siebach had aided and abetted Regulation T violations by another firm; that RW&S, Steinberg and Siebach violated the Commission's net capital rule and engaged in business without disclosing that RW&S was unable to meet its liabilities arising in the ordinary course of business; and that RW&S and Siebach violated Commission rules by failing to file annual financial reports for 1963, 1964 and 1965.

Following issuance of the order for proceedings, Siebach addressed a letter to the Commission denying generally the allegations set forth therein but did not appear at the hearing. Steinberg filed no answer but, during the hearing, counsel appeared on his behalf. RW&S filed no answer and did not appear. Neither RW&S nor the two individuals petitioned the Commission for review of the Examiner's decision. The two remaining respondents filed review petitions with the Commission.

SALES FOLLOW-UP FILES FOR OFFERING AND SECONDARY. Sales Follow-Up Corporation, 4140 W. Fullerton Ave., Chicago, Ill. 60639, filed a registration statement (File 2-24433) with the SEC on January 21 seeking registration of 100,000 shares of common stock. Of this stock, 23,000 shares are to be offered for public sale by the company and 77,000 shares (being outstanding stock) by the present holders thereof. The offering is to be made through Blunt Ellis & Simmons, 111 W. Monroe St., Chicago, Ill. 60603. The public offering price (\$9 per share maximum*) and underwriting terms are to be supplied by amendment.

The company creates and produces post sale follow-up programs "designed to build customer loyalty and to secure repeat and referral business." To date its programs have been sold primarily to automobile dealers. Net proceeds of its stock sale will be applied to the cost of expanding the company's business in markets outside the auto industry. The company has 370,000 outstanding common shares, all of which is owned by company officials. The prospectus lists three selling stockholders, as follows: William C. Bachman (president), offering 23,000 of 122,334; Jack B. Kaplan (treasurer), 27,000 of 122,333; and Charles T. Rothermel, Jr. (director), 27,000 of 122,333.

ROCKWELL-STANDARD FILES FINANCING PROPOSAL. Rockwell-Standard Corporation, 300 Sixth Ave., Pittsburgh, Pa. 15222, filed a registration statement (File 2-24434) with the SEC on January 21 seeking registration of \$50,000,000 of sinking fund debentures and \$50,000,000 of convertible subordinated debentures (both due 1991). The debentures are to be offered for public sale through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York. The interest rates, public offering price and underwriting terms are to be supplied by amendment.

The company manufactures automotive and industrial products and aircraft. Of the net proceeds of its debenture sale, \$50,000,000 will be used to prepay certain of the company's bank notes. Such borrowings were incurred to enable the company to carry the increased inventories and receivables resulting from the expanded volume of its operations, and to finance certain of its acquisitions. The balance of the proceeds will be available for general corporate purposes. In addition to indebtedness, the company has outstanding 11,882,255 common shares, of which management officials own 2.81%. Willard F. Rockwell is board chairman and Willard F. Rockwell, Jr., is president.

GENERAL MILLS FILES FOR SECONDARY. General Mills, Inc., 9200 Wayzata Blvd., Minneapolis, Minn. 55440, filed a registration statement (File 2-24435) with the SEC on January 21 seeking registration of 60,000 outstanding shares of common stock. The stock is to be offered for public sale by the present holders thereof through Dillon, Read & Co. Inc., 46 William St., New York. The public offering price (\$65 per share maximum*) and underwriting terms are to be supplied by amendment.

The company produces packaged consumer foods and manufactures specialty chemical products. In addition to indebtedness, it has outstanding 7,741,748 common shares, of which management officials own 4.53%. The prospectus lists 16 selling stockholders, including James F. Bell, Jr., Charles H. Bell (board chairman) and T. R. Anderson, as executors of the estate of James F. Bell, offering 15,252 of 53,764 and, as executors of the estate of Louise H. Bell, 12,816 of 14,016. The remaining sellers are offering stock ranging in amounts from 1,355 to 7,539 shares. Edwin W. Rawlings is president.

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GARAN FILES STOCK PLANS. Garan, Incorporated, 366 Fifth Ave., New York 10001, filed a registration statement (File 2-24436) with the SEC on January 21 seeking registration of 74,567 shares of common stock, to be offered pursuant to its Restricted Stock Option Plan and 1964 Qualified Stock Option Plan.

SOCONY MOBIL OIL RECEIVES ORDER. The SEC has issued an order under the Investment Company Act (Release IC-4492) extending its December 1963 exemption order granted to Socony Mobil Oil Co., Inc., New York. The exemption is applicable to Equity Fund and Balanced Fund, two employees' securities companies established by Bankers Trust Company in connection with the Socony's Employee's Savings Plan. Socony requests that the 1963 exemption continue (1) after such employee companies become available for investment under the Savings Plan for Salaried Employees of Mobil Chemical Company and (2) after proposed modifications therein as set forth in the current application.

MIDDLE SOUTH UTILITIES RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15386) authorizing New Orleans Public Service, Inc., to transfer \$1,710,000 of its earned surplus as of December 31, 1965, to its common capital stock account and to issue to its parent company, Middle South Utilities, Inc., an additional 171,000 shares of its common stock. According to the application, the issuance of such common stock will permit New Orleans to convert into permanent capital a portion of its retained earnings.

DELAWARE POWER SEEKS ORDER. Delaware Power & Light Company, Wilmington, Del., has applied to the SEC for an order under the Holding Company Act authorizing a 2-for-1 common stock split and related transactions; and the Commission has issued an order (Release 35-15387) giving interested persons until February 11 to request a hearing thereon. According to the application, the proposed stock split will require the issuance by DP&L of 4,185,360 common shares, increasing the amount of its outstanding shares of common stock to 8,370,720, with a par value of \$3.37-1/2 per share. The proposed charter amendment (which will also include a proposed change of DP&L's corporate name to Delmarva Power & Light Company) will require the favorable vote of the holders of not less than a majority of DP&L's presently issued and outstanding shares of common stock, and DP&L proposes to solicit proxies with respect thereto at its annual meeting of common stockholders scheduled to be held on April 19, 1966.

ARKANSAS POWER SEEKS ORDER. Arkansas Power & Light Co., and its parent company, Middle South Utilities, Inc., New York, have applied to the SEC for an order under the Holding Company Act authorizing Arkansas Power to sell \$25,000,000 of first mortgage bonds (due 1996) at competitive bidding and the acquisition by Middle South of 240,000 additional shares of subsidiary's common stock. The Commission has issued an order (Release 35-15388) giving interested persons until February 17 to request a hearing thereon. As reported in the SEC News Digest of January 14, the subsidiary will use the net proceeds of its bond sale for its construction program (estimated to cost \$62,600,000 in 1966) and for other corporate purposes. It is stated that the subsidiary's issuance of additional common stock will permit it to convert into capital a portion of its earned surplus which has been permanently invested in betterments to its physical properties.

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the caption of the several items of the form was included in the January 3 News Digest.

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| American Fidelity & Casualty Co Inc. Dec 65 (2,12) | 2-3177-2 | Americana Life Insurance Co. Dec 65 (11,12,13) | 2-23154-2 |
| Big "C" Stores, Inc. Dec 65 (4,7,11,13) | 0-14-2 | Browning Arms Co. Apr 65 (11,13) | 0-1275-2 |
| Caterpillar Tractor Co. Dec 65 (8) | 1-768-2 | Cramer Electronics, Inc., Dec 65 (11,13) | 0-126-2 |
| Fidelity Bankers Life Insurance Co. Dec 65 (2) | 2-13950-2 | Electric Hose and Rubber Co. Dec 65 (3) | 1-5113-2 |
| ICOA Life Insurance Co. Dec 65 (1,3,12,13) | 0-1701-2 | Florida Power & Light Co. Dec 65 (7,12) | 1-3545-2 |
| Insurance Investors Trust Co Dec 65 (1,2,13) | 0-1733-2 | Jervis Corp. Dec 65 (4,11,12,13) | 1-5073-2 |
| Monolith Portland Midwest Co. Dec 65 (4,6,8,13) | 0-1538-2 | Keystone Railway Equip. Co. Dec 65 (2,13) | 1-5135-2 |
| Moog Inc. Dec 65 (12,13) | 1-5129-2 | Kirby Petroleum Co. Dec 65 (2) | 1-4035-2 |
| Jacob Ruppert Dec 65 (11,12,13) | 2-5792-2 | I B Kleinert Rubber Co. Dec 65 (7,12) | 1-1003-2 |
| Technology Inc. Dec 65 (12) | 2-24141-2 | Levitt & Sons Inc. Dec 65 (7,9) | 1-4770-2 |
| Tesoro Petroleum Corp. Nov 65 (7) | 2-23778-2 | Jas. H. Matthews & Co. Dec 65 (7) | 2-22663-2 |
| Washington Trotting Assn. Inc. Dec 65 (11) | 2-20615-2 | Metromedia, Inc. Dec 65 (7,13) | 1-4649-2 |
| | | Microwave Associates, Inc. Dec 65 (11,12,13) | 1-4236-2 |

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| Pioneer Natural Gas Co. Dec 65 (7,13) | 0-525-2 | Pennsylvania RR Co. Dec 65 (8) | 1-1569-2 |
| Pittsburgh Coke & Chemical Co Dec 65 (2,13) | 1-2943-2 | Pocket Books, Inc. Dec 65 (13) | 0-38-2 |
| Technical Operations, Inc. Dec 65 (11) | 1-4403-2 | Universal American Corp. Dec 65 (3) | 1-4607-2 |
| Texas Gulf Sulphur Co Dec 65 (3) | 1-1065-2 | Valley Metallurgical Processing Co., Inc. Dec 65 (2,13) | 1-5133-2 |
| Xtra, Inc. Dec 65 (7,10,11,13) | 1-4940-2 | Veeco Instruments Inc. Dec 65 (12) | 0-87-2 |
| American Air Filter Co Inc Dec 65 (12) | 1-5082-2 | The Vernon Co Jan 66 (11,12) | 2-23466-2 |
| Argus Incorporated Dec 65 (3,12,13) | 1-4544-2 | Anelex Corp. Dec 65 (11) | 1-4849-2 |
| Aro Corp. Jan 66 (2,3,12,13) | 1-2902-2 | Continental Mortgage Investors Dec 65 (4,7,13) | 1-5079-2 |
| Borden Co. Dec 65 (3) | 1-71-2 | Eastern Utilities Associates Dec 65 (12,13) | 0-1112-2 |
| Central Charge Service Inc. Dec 65 (4,7,11,13) | 1-4755-2 | Empire Life Insurance Co of Ohio Dec 65 (7) | 2-22930-2 |
| Community Research & Develop Inc. Dec 65 (2) | 0-1743-2 | Mammoth Mart, Inc. Dec 65 (7,8,13) | 1-5059-2 |
| G-L Industries, Inc. Dec 65 (7) | 1-4987-2 | Missouri National Life Insurance Co. Dec 65 (7) | 2-21744-2 |
| Loews Boston Theatres Co. Dec 65 (11) | 1-1644-2 | Zenith Radio Corp. (Del) Dec 65 (3,13) | 1-4115-2 |
| Merck and Co Inc. Dec 65 (12) | 1-3305-2 | Farmers Union Cooperative Marketing Association Dec 65 (7,8) | 2-22230-2 |
| McGraw-Hill Inc. Dec 65 (11,13) | 1-1023-2 | Homestake Mining Co. Dec 65 (7) | 1-1235-2 |
| Natural Gas Pipeline Co of America Dec 65 (12) | 2-14243-2 | Hanover Equities Corp. Dec 65 (2) | 0-884-2 |
| Nevada Power Co Dec 65 (8) | 1-4698-2 | Howard Stores Corp. Dec 65 (7) | 1-3264-2 |
| North Canadian Oils Ltd. Dec 65 (8) | 1-3659-2 | Husky Oil Canada Ltd. Dec 65 (12) | 1-4307-2 |
| Plymouth Cordage Co Dec 65 (11) | 0-557-2 | Husky Oil Company Dec 65 (12,13) | 0-664-2 |
| Taylor Wine Co., Inc. Dec 65 (12,13) | 0-1822-2 | Texas Oil & Gas Corp. Dec 65 (12) | 1-4995-2 |
| United Virginia Bankshares, Inc Dec 65 (7) | 2-20487-2 | Central Louisiana Elec. Co Inc Dec 65 (7,13) | 0-1272-2 |
| Waldorf System, Inc. Dec 65 (11,13) | 1-587-2 | Central Hudson Gas & Electric Corp. Dec 65 (7,13) | 1-3268-2 |
| Allen Organ Co Dec 65 (13) | 0-275-2 | Crescent Corp. Dec 65 (7) | 1-3425-2 |
| American & Bfird Mills Inc Dec 65 (11,13) | 0-79-2 | Interchemical Corp. Dec 65 (11,13) | 1-965-2 |
| American Metal Climax, Inc. Dec 65 (12) | 1-229-2 | Kearney & Trecker Corp. Dec 65 (4,11,13) | 0-62-2 |
| Buckeye Corp. Nov 65 (2,13) | 0-1669-2 | Levingston Shipbuilding Co. Dec 65 (8) | 2-13343-2 |
| Budget Finance Plan Dec 65 (7,8,13) | 1-3722-2 | Louisiana Gas Service Co. Dec 65 (7) | 1-4335-2 |
| Fund American Companies Dec 65 & Jan 66 (4,7,11,13) | 2-5051-2 | Metropolitan Edison Co. Dec 65 (4,11,13) | 1-446-2 |
| General Alloys Co Dec 65 (12) | 1-1870-2 | Movielab, Inc. Dec 65 (7) | 1-4500-2 |
| Gulf Resources, Inc. Dec 65 (7,13) | 2-17003-2 | Phoenix Steel Corp. Dec 65 (1,2,12,13) | 1-2908-2 |
| Iowa Southern Utilities Co. Dec 65 (7,12) | 0-849-2 | Pioneer Finance Co. Dec 65 (3,6,10) | 0-1564-2 |
| Jones & Laughlin Steel Corp Dec 65 (7) | 1-463-2 | Wallace-Murray Corp. Dec 65 (2,7,13) | 1-1095-2 |
| Joseph Magnin Co Inc. Dec 65 (4,7,11,13) | 2-16323-2 | | |
| Martin-Marietta Corp. Dec 65 (7,13) | 1-4552-2 | | |
| National Industries, Inc. Dec 65 (1,2,7,11,13) | 0-790-2 | | |

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| Abbott Laboratories Dec 65 (12,13) | 1-2189-2 | Carrier Corp. Dec 65 (3) | 1-3220-2 |
| American Optical Co Dec 65 (7,10) | 1-3668-2 | Cinerama Incorporated Dec 65 (7,13) | 1-4107-2 |
| Carson Pirie Scott & Co. Dec 65 (7,8,10) | 0-1337-2 | Consumers Cooperative Ass. Dec 65 (7,8,11) | 2-7250-2 |
| Colonial Acceptance Corp Dec 65 (8) | 0-1749-2 | International Breweries, Inc. Dec 65 (12) | 1-3905-2 |
| Elco Corp. (Del) Dec 65 (7,13) | 1-4757-2 | King Louie International, Inc. Oct 64 (4,7,13) | 0-881-2 |
| Hudson Pulp & Paper Corp. Dec 65 (7,11,13) | 1-3546-2 | Philippine Long Distance Tel Co. Dec 65 (8,13) | 1-3006-2 |
| I-T-E Circuit Breaker Co Dec 65 (3) | 1-3784-2 | Republic Steel Corp. Dec 65 (7) | 1-2388-2 |
| Kingwood Corp. Dec 65 (1,2,11,13) | 0-460-2 | Royal School Laboratories, Inc. Dec 65 (4,13) | 1-4551-2 |
| Merchants Petroleum Co. Dec 65 (12,13) | 1-1813-2 | Soliton Devices, Inc. Dec 65 (7,8,13) | 1-4978-2 |
| Merritt-Chapman & Scott Corp Dec 65 (2,8,13) | 1-1390-2 | Southwest Indemnity & Life Insurance Co. Dec 65 (12) | 2-16349-2 |
| Murphy Oil Corp. (Del) Dec 65 (7,13) | 1-4857-2 | Swank, Inc. Dec 65 (7) | 0-432-2 |
| Nuclear-Chicago Corp. Dec 65 (4,12) | 0-680-2 | The Wurlitzer Co. Dec 65 (7,13) | 0-1543-2 |
| Ocean Drilling & Exploration Co Dec 65 (7,13) | 0-336-2 | Atlas Corp. Dec 65 (3,6) | 1-2714-2 |
| The United Illuminating Co Dec 65 (7,13) | 0-469-2 | Frontier Airlines, Inc. Dec 65 (2,12) | 1-4877-2 |
| Washington Water Power Co. Dec 65 (7) | 1-3701-2 | Gains Guaranty Corp. Dec 65 (7,10,12,13) | 0-938-2 |
| Tyson's Foods, Inc. Amend #1 to 8K for Sept 65 (Item 4) | 2-20965-2 | E. J. Korvette, Inc. Dec 65 (11) | 1-4037-2 |
| Bloomfield Building Industries Inc. Amend #2 to 8K for June 65 | 1-4608-2 | Pargas, Inc. Dec 65 (7,12,13) | 0-1259-2 |
| Amend #1 to 8K for Aug 65 | " | Pittsburgh Railways Co. Dec 65 (4,7,13) | 1-3606-2 |
| Amend #2 to 8K for Sept 65 | " | Revco D. S., Inc. Dec 65 (3,7,8,13) | 1-5025-2 |
| Cenco Instruments Corp. Amend #1 to 8K for Sept 65 (Item 7) | 1-3730-2 | Seaboard Finance Co. Dec 65 (7,13) | 1-3440-2 |
| Deltown Foods, Inc. Amend #1 to 8K for Oct 65 (Item 12) | 1-4891-2 | Southwestern Electric Service Co. Dec 65 (7,11,13) | 0-22-2 |
| | | Spencer Packing Co. Dec 65 (3,13) | 2-23595-2 |
| | | Baldwin-Montrose Chemical Co. Inc. Dec 65 (2,13) | 1-1404-2 |
| | | Chicago & North Western Ry Co. Dec 65 (7) | 1-3211-2 |
| | | Continental Baking Co. Jan 66(12,13) | 1-786-2 |
| | | Cott Corp. Dec 65 (4,7,12,13) | 1-4532-2 |

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended January 20, 1966, 19 registration statements were filed, 22 became effective, and 302 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Withdrawn January 21: Malaker Corp., 2-23752.

*As estimated for purposes of computing the registration fee.

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