

# 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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FOR RELEASE December 5, 1966

**CAPITAL EXPENDITURES REPORTED.** The SEC and the Department of Commerce announced December 2 that business investment in new plant and equipment is programed to rise in the first half of 1967, but at slower rates than in 1966. Spending programs in the final half of 1966 have been reduced since the last quarterly survey; the full year 1966 is now expected to total \$60.6 billion, or 16½ percent above 1965. Three months ago, 1966 spending was scheduled at \$60.9 billion. Capital spending, at a seasonally adjusted annual rate of \$61.3 billion in the third quarter, is expected to rise to \$62.6 billion in the fourth. Further increases anticipated would bring outlays to \$63.4 billion in the first quarter of 1967 and to \$64.0 billion in the second. This second quarter rate is 7 percent above the second quarter of 1966. For further details, see Stat. Release No. 2168.

**MIDWEST TECHNICAL RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4775) declaring that Midwest Technical Development Corporation, Minneapolis, Minn., has ceased to be an investment company as defined in the Act. According to the application, the company has sold all of its assets (except for \$10,000 retained to pay the expenses of winding up its affairs) to Midtex Incorporated in exchange for Midtex shares, which were subsequently distributed to Midwest's shareholders in the form of a liquidating dividend.

**HORACE MANN INSURANCE SEPARATE ACCOUNT RECEIVES ORDER.** The SEC has issued an exemption order under the Investment Company Act (Release IC-4776) authorizing Horace Mann Insurance Company Separate Account, Springfield, Ill., to issue group variable annuity contracts which contain a provision for experience rating credits. The application states that Horace Mann Life Insurance Company established the applicant principally to offer contracts which qualify as tax-deferred annuities to the general public. The payments on such contracts, net of deductions for insurance (certain death benefits and mortality guarantees), sales, administrative and other expenses, are invested through applicant in the shares of Horace Mann Fund, Inc., a diversified, open-end, management investment company.

**FIRST SPRINGFIELD CORP. RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4778) declaring that First Springfield Corporation, of Springfield, Mass., has ceased to be an investment company. Its shareholders in November 1965 approved a plan for its complete liquidation and dissolution.

**B.S.F. CO. SEEKS ORDER.** B.S.F. Company, Wilmington, Del., has applied to the SEC for an exemption order under the Investment Company Act permitting to to sell to Victor Carter 293,845 shares of common stock of Republic Corporation for \$2,644,605; and the Commission has issued an order (Release IC-4779) giving interested persons until December 20 to request a hearing thereon. Carter is an officer and director of Republic and owns more than 4% of its outstanding stock. The 293,845 shares of Republic stock constitute all of BSF's holdings of Republic securities and represent about 12% of Republic's outstanding common stock. As consideration for such purchase, Carter will issue to BSF an aggregate of \$2,644,605 of non-interest bearing and non-negotiable notes, due in 54 monthly installments of \$35,000 each commencing on July 15, 1967, and one additional installment of \$754,605 due February 15, 1973.

**UNLISTED TRADING GRANTED.** The SEC has issued orders under the Securities Exchange Act (Release 34-7998) granting applications of (1) the Boston Stock Exchange for unlisted trading privileges in the common stocks of Allegheny Power System, Inc., Fibreboard Corp., Household Finance Corp., Kayser-Roth Corp., Peabody Coal Co., Teledyne, Inc., and Itek Corp., and (2) the Pittsburgh Stock Exchange for such privileges in the common and preferred stocks of Teledyne.

**GRYNBERG MANAGEMENT VENTURE PROPOSES OFFERING.** 1967 Canadian Exploration and Development Venture of the Grynberg Management Corporation, 750 Petroleum Club Bldg., Denver, Colo. 80202, filed a registration statement (File 2-25752) with the SEC on November 29 seeking registration of \$5,300,000 of interests in the 1967 Venture. The agreements will be entered into in minimum commitments of \$25,000. Grynberg Management, which was organized under Colorado law in 1966, will manage the Venture in its exploration for oil and gas in Canada. Jack J. Grynberg is president.

**GIDDINGS & LEWIS SHARES IN REGISTRATION.** Giddings & Lewis Machine Tool Company, 142 Doty St., Fond du Lac, Wisc. 54936, filed a registration statement (File 2-25759) with the SEC on December 1 seeking registration of 147,702 shares of common stock. On June 30, Gisholt Corp., a Wisconsin corporation, was merged into Giddings & Lewis. The 147,702 shares were issued upon the merger to Gisholt shareholders, as follows: George H. Johnson, 74,489 shares; and The First National Bank of Chicago, Gordon C. Volz and Mrs. Mary R. McCahill, Trustees of a Trust for the benefit of Elizabeth J. Pfeifer, 24,404 shares, a Trust for the benefit of Regina J. Tomlinson, 24,404 shares, and a Trust for the benefit of Stanley A. Johnson, 24,405 shares. These shares, it is indicated, may be offered and sold by the holders thereof (at \$25 per share maximum\*).

OVER

**TWO STOCK PLANS FILED.** Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

ITT Consumer Services Corporation, 320 Park Ave., New York 10022 (File 2-25763) (2,045 shares)  
R. R. Donnelley & Sons Company, 2223 South Park Way, Chicago, Ill. 60616 (File 2-25764) (270,270 shares)

**FARMBEST FILES FOR OFFERING.** Farmbest, Inc., Denison, Iowa, filed a registration statement (File 2-25753) with the SEC on December 1 seeking registration of 10,761 shares of common stock (nondividend bearing) and \$124,739 of 15-year Retain Capital Certificates (nondividend bearing). The stock is to be offered at \$1 per share to producers of agricultural products and cooperative associations of such producers. One share is required for membership in the company. An investment of 25¢ per head of livestock marketed through Farmbest is required from each member.

The company functions as a cooperative marketing and purchasing association. Net proceeds of this financing will be added to general funds. Farmland Industries, Inc., owns 39% of the outstanding voting stock (7,500 shares). Homer Young is president of the company.

**HARTLAND OF DELAWARE FILES FOR OFFERING.** Hartland, Inc. of Delaware, 4931 Douglas Ave., Des Moines, Iowa, filed a registration statement (File 2-25754) with the SEC on December 1 seeking registration of \$250,000 of Feedlot Agreements, Seventh Series. The agreements are to be offered for sale to agricultural producers, their immediate families and corporations or associations owned or controlled by such persons, in \$50 multiples, a minimum purchase being \$200 and the maximum \$75,000.

Organized under Delaware law in March 1963, the company purchases, manages and sells feeder cattle owned by others. Net proceeds of its sale of Feedlot Agreements will be used to purchase, feed and sell cattle for the benefit of the Agreement holders. Management officials of the company own 7.8% (3,857 shares) of the outstanding voting securities. Robert Casper is president.

**KENT GROWTH FUND PROPOSES OFFERING.** Kent Growth Fund, Inc., 3156 Wilshire Blvd., Los Angeles, Calif. 90005, filed a registration statement (File 2-25755) with the SEC on October 31 seeking registration of 250,000 shares of common stock. The stock is to be offered for public sale initially at \$10 per share, plus a 9.3% distribution charge, and thereafter at net asset value. Scoville & Co. is the Fund's distributor.

Organized under California law in August 1966, the Fund is an open-end, diversified, fully managed investment company whose investment objective is to seek long-term investment growth. Bonanza Investment Management Co., Inc., is its investment adviser. Don L. Cooper is president of the Fund.

**MARINE MIDLAND FILES EXCHANGE OFFER.** Marine Midland Corporation, 241 Main St., Buffalo, N. Y. 14240, filed a registration statement (File 2-25761) with the SEC on December 2 seeking registration of 560,000 shares of \$50 par convertible preferred stock. It is proposed to offer these preferred shares in exchange for all the issued and outstanding stock of First Westchester National Bank (New Rochelle) on the basis of one preferred share for each share of Bank stock.

Marine Midland controls 11 banks or trust companies engaged in a general commercial banking business. Its offer to acquire the Bank stock is conditioned upon the deposit in exchange of at least 80% of the 560,000 outstanding shares of the Bank's stock. In addition to indebtedness and preferred shares, Marine Midland has outstanding 11,474,763 common shares, of which 1.72% is owned by management officials. Baldwin Maull is board chairman and J. Fred Schoellkopf, IV., president.

**AMERICAN DUALVEST FUND PROPOSES OFFERING.** American Dualvest Fund, Inc., 25 Broad St., New York 10004, filed a registration statement (File 2-25762) with the SEC on December 2 seeking registration of 1,000,000 participating preferred shares (\$13.80 par) and 1,000,000 capital shares (\$1 par). It is proposed to offer the shares of each class for public sale at \$15 per share. The offering will be made on an all or none basis by an underwriting group headed by Hayden, Stone, Inc., 25 Broad St., New York. The underwriting commission will be \$1.20 per share (on transactions of less than \$25,000).

The Fund will operate as a diversified closed-end investment company, and is said to be "designed to utilize a new concept for providing investment leverage to investors." Holders of preferred shares will receive all the net income of the Fund (in any event, are entitled to cumulative dividends in the amount of 84¢ per share per year); after 12 years, the preferred shares will be callable, initially at \$15.50 per share. Holders of capital shares will be entitled to all appreciation in the value of the Fund's portfolio securities. After redemption of the preferred, holders of capital shares will be entitled to all income and assets of the Fund and may elect to convert the Fund into an open-end investment company. So long as any of the preferred shares are outstanding, no distributions will be made to the holders of the capital shares except for certain short-term gains. The Fund's primary objective "is growth of capital and income;" it will be a diversified investment company which will invest no more than 25% of the value of its total assets in any one industry. However, it may concentrate up to 50% of the value of its total assets in securities of public utility companies.

The Fund's investment adviser is HayWood Management Corporation, recently organized, all of whose stock is owned by Hayden, Stone Inc. (2/3) and Starwood Corporation (1/3). Maurice C. Kaplan, president of Starwood, is listed as the Fund's board chairman and Richard E. Boesel, Jr., vice president and director of Hayden, Stone, Inc., as president.

**MUTUAL FUND STUDY REPORT FILED.** The SEC on December 2 filed with Congress the report on its study of "Public Policy Implications of Investment Company Growth." An eleven page summary of the report (Release IC-4766) has been distributed to the Commission's mailing lists. Copies of the report (House Report No. 2337, 89th Congress, 2d Sess.) may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402, at \$1 per copy.

**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. The captions of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Other Materially Important Events.
- Item 13. Financial Statements and Exhibits.

Copies of the reports may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with requested material when mailed.

Acme Missiles & Constr Corp Nov 66(3,13) 1-4297-2	Danaho Refining Co Apr 65 & 66(11)2-10984-2
Alco Standard Corp Sept 66(4,11,13)0-107-2	Welch Scientific Co Nov 66(12,13)1-4711-2
Farvin-Dohrmann Co Oct 66(3,13) 1-2762-2	Lin Broadcasting Corp Oct 66(11,13) 2-24468-2
Stouffer Foods Corp Nov 66(1,11) 1-4562-2	Aerovox Corp Oct 66(7) 0-782-2
Automatic Data Processing Inc Oct 66(11) 0-1906-2	J W Carter Co May 66(11) 1-2737-2
Fischbach & Moore Inc Oct 66(12) 1-4624-2	Sonar Radio Corp Oct 66(11,13) 0-1839-2
NY State Elec & Gas Corp Nov 66(13)1-3103-2	Consolidated Freightways Inc Oct 66(13) 1-5046-2
Seeman Bros Inc Oct 66(9,13) 1-1167-2	Can-Fer Mines Ltd May 65(2,9,11) 2-15951-2
Aug 66(7,8,13) 1-1167-2	Feb 66(11,12) 2-15951-2
Leonard Refineries Inc Nov 66(12,13)1-3944-2	New York Central RR Co Nov 66(7,13)1-4480-2
First Financial Life Insur Co Oct 66(12,13) 2-22568-2	Cott Corp Amend #1 for Oct 66(3) 1-4532-2
Bernz O Matic Corp Oct 66(1,3,7,12,13)0-1688-2	Murphy Finance Co Amend #1 for Aug 66(4) 2-15948-2
Scovill Mfg Co Nov 66(3) 1-3373-2	Scope Industries Amend #1 for Oct 66(8) 1-3552-2
Glidden Co Amend #1 for Aug 66(4) 1-531-2	
Beryllium Corp Amend #1 for July 66(7) 1-5311-2	

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended December 1, 1966, 27 registration statements were filed, 26 became effective, 1 was withdrawn, and 351 were pending at the week-end.

**SECURITIES ACT REGISTRATIONS. Effective December 2:** Conwood Corp., 2-25703; Longs Drug Stores, Inc., 2-25613; Trans Caribbean Airways, Inc., 2-25236.

\*As estimated for purposes of computing the registration fee.