

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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FOR RELEASE May 18, 1960

MIDWEST TECHNICAL DEVELOPMENT PROPOSES OFFERING. Midwest Technical Development Corporation, 2615 First National Bank Building, Minneapolis, filed a registration statement (File 2-16595) with the SEC on May 17, 1960, seeking registration of 561,500 shares of common stock. A closed-end non-diversified investment company, Midwest proposes to offer this stock for subscription by holders of its outstanding common stock at the rate of one new share for each share held. The record date, subscription price and underwriting terms are to be supplied by amendment. Shearson, Hammill & Co. and Piper, Jaffray & Hopwood are listed as the principal underwriters. Net proceeds of the stock sale will be used for general corporate purposes and invested in accordance with the company's investment policy.

HOTEL CORP. OF AMERICA PROPOSES OFFERING. Hotel Corporation of America, 883 Avenue of the Americas, New York, filed a registration statement (File 2-16596) with the SEC on May 17, 1960, seeking registration of \$1,500,000 of Convertible Collateral Trust Debentures due July 1, 1972, to be offered for public sale through an underwriting group headed by Eache & Co. and Bear, Stearns & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Formerly known as the Childs Company, the company then operated a chain of restaurants under the name of Childs. Since 1954 it has expanded its activities by acquiring all the outstanding stock of Fred Fear & Co. and Recipe Foods, Inc., which now constitute its Food Products Division. In 1956 it changed its name to Hotel Corporation of America and entered into the hotel business, since which time it has expanded this phase of its business. It now owns and operates or operates under leases several hotels, including the Palm Beach Biltmore in Florida and the Mayflower Hotel in Washington, the Plaza and the Hotel Roosevelt in New York City, the Somerset, Braemore and Kenmore Hotels in Boston and the Edgewater Beach Hotel in Chicago, and operates several motels under leases. Additional hotels and motor hotels are under construction or in the planning stage.

In connection with the expansion of its hotel and motor hotel division, the company has commitments aggregating, \$8,600,000 for 1960 and 1961 to supply furniture and equipment, pay a portion of the cost of construction in excess of stipulated amounts and supply certain amounts of working capital. It expects to make arrangements for rental of furniture and equipment representing about \$5,800,000 of such commitments, and accordingly the cash required for this program (including rental payments) is estimated at \$2,050,000 for 1960 and \$1,300,000 for 1961. The funds for this program are to be obtained from the proceeds of the sale of the debentures, from about \$2,000,000 of the proceeds resulting from the refinancing of outstanding first mortgage indebtedness of Hotel Mayflower, and from internal sources. In late 1962 and early 1963 the company has a commitment of about \$4,000,000, mostly in cash, to equip, supply working capital and meet initial expenses in connection with its new Hotel America in Boston.

AMERICAN RESEARCH LOAN APPROVED. The SEC has issued an exemption order under the Investment Company Act (Release 40-3034) permitting American Research and Development Corporation, Boston investment company, to make a \$50,000 loan to Intercontinental Electronics Corporation. The investment company owns 17% of the outstanding voting securities of Intercontinental. The latter proposes to use the funds for working capital purposes.

SOLAR AIRCRAFT DELISTING PROPOSED. The SEC has issued an order (Rel 34-6269) giving interested persons until June 3, 1960, to request a hearing upon an application of the New York Stock Exchange to delist the common stock of Solar Aircraft Company, all but 30,000 shares of which stock is owned by International Harvester Company.

WEST INDIES SUGAR STOCK DELISTED. The SEC has issued an order (Rel 34-6269) granting an application of the New York Stock Exchange to delist the common stock of West Indies Sugar Corporation, effective close of trading session June 3, 1960. The company is in process of liquidation.

TRADING IN UNITED INDUSTRIAL APPROVED. The SEC has issued an order (Rel 34-6269) granting an application of the Detroit Stock Exchange for unlisted trading privileges in the common stock of United Industrial Corporation.

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For further details, call ST. 3-7600, ext. 5526

PHILCO CORP. FILES STOCK PLAN. Philco Corporation, Tioga and "C" Streets, Philadelphia, today filed a registration statement (File 2-16597) with the SEC seeking registration of 412,160 shares of its common stock, issuable under options granted or to be granted under the company's Stock Option Plan.

NEW BRITAIN GAS LIGHT PROPOSES OFFERING. The New Britain Gas Light Company, 35 Court St., New Britain, Conn., today filed a registration statement (File 2-16598) with the SEC seeking registration of 16,000 shares of common stock. The company proposes to offer the stock for subscription by holders of its outstanding common stock 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. Putnam & Co. is listed as the principal underwriter.

Net proceeds of the stock sale, together with about \$1,000,000 to be received from the sale of additional bonds to an institutional investor and funds available from internal sources, will be used for the discharge of about \$750,000 of bank loans, to finance part of the company's 1960-61 construction programs, and for other corporate purposes. Construction expenditures are estimated at \$813,000 for 1960 and \$381,000 for 1961.

J. M. ADDISON, OTHERS, INDICTED. The SEC Denver and Fort Worth Regional Offices announced May 16th the return of an indictment (USDC, Fort Worth) charging violations of the registration and anti-fraud provisions of the Securities Act by John Milton Addison and six other individuals, together with Trans-World Mining Corp., White, Green & Addison Associates, Inc., and Murchison Ventures, Inc. (Litigation Release 1683)

TRIUMPH STORECRAFTERS PROPOSES OFFERING. Triumph Storecrafters Corporation, 3000 Yellowstone St., Houston, Texas, today filed a registration statement (File 2-16599) with the SEC seeking registration of 145,000 shares of common stock, to be offered for public sale through an underwriting group headed by Hardy & Hardy and First Southeastern Company. The public offering price and underwriting terms are to be supplied by amendment. The company has sold to the two underwriters at 1/4 per warrant share, warrants to purchase 20,000 common shares at \$5 per share through June 1, 1965; and these shares are also included in the statement.

The company is primarily engaged in the design, manufacture and installation of fixtures such as paneling and other wall coverings, showcases, counters, cabinets and similar furnishings for stores, banks, public buildings and offices. It was organized in Texas in April 1960 and acquired on April 28, 1960, the assets of a partnership ("Storecrafters") organized in 1947 by Bernard Sampson, Robert Cohen and Charles Cohen including the capital stock of four wholly owned corporations each of which performed certain functions in the over-all business. In exchange therefor, the company issued 275,000 shares of its common stock and assumed certain liabilities. Net proceeds to the company from its cash sale of additional stock will be applied to its general funds to meet the increased inventory and other working capital requirements; \$266,500 will be expended to discharge outstanding short term indebtedness incurred for working capital purposes. About \$240,000 is said to have been committed for completion of the Triumph Marine Division plant under construction adjacent to the San Jacinto River. The company expects to obtain a \$125,000 mortgage loan on this property.

The company's outstanding stock is owned in equal amounts by Bernard Sampson, board chairman, Robert Cohen, president, and Charles Cohen, executive vice president.

MILES LABORATORIES FILES FOR OFFERING. Miles Laboratories, Inc., 1127 Myrtle St., Elkhart, Ind., today filed a registration statement (File 2-16600) with the SEC seeking registration of \$8,300,000 of Convertible Subordinated Debentures, due 1980. The company proposes to offer the debentures for subscription by its common stockholders in the ratio of \$100 principal amount of debentures for each 16 common shares held of record June 24, 1960. The interest rate, subscription price and underwriting terms are to be supplied by amendment. The First Boston Corporation will head the list of underwriters.

The company produces and sells home remedies, professional pharmaceutical products and fine chemicals (citric acid, organic chemicals and enzymes). Its most important product is Alka-Seltzer. Net proceeds of its sale of debentures will be used to repay short-term debt of the company. On October 1, 1959, the Company bought Dome Chemicals, Inc. for \$7,500,000 cash, incurring \$5,000,000 short-term debt; the remainder of the purchase price was taken from the Company's working capital. At various dates since that acquisition additional short-term debt has been incurred, principally to finance increased inventories and receivables, with the result that the total amount of such indebtedness is now \$6,900,000. The balance of the net proceeds from this financing will be added to the general funds of the Company.

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