

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 March 27, 1964

ALABAMA POWER STOCK SALE APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-15037) authorizing Alabama Power Company to issue and sell to its parent, The Southern Company (Atlanta), an additional 50,000 shares of common stock for \$5,000,000. The funds will be used to repay interim cash advances of like amount by the parent to the subsidiary for construction.

JERSEY CENTRAL P & L PROPOSES BORROWINGS. Jersey Central Power & Light Company, Morristown, N. J., has filed a proposal with the SEC under the Holding Company Act for bank borrowings during the period ending April 30, 1965, in amounts not exceeding \$21,600,000 in the aggregate; and the Commission has issued an order (Release 35-15039) giving interested persons until April 28th to request a hearing thereon. The funds will be utilized in the amount of \$5,200,000 to reimburse the company's treasury for construction expenditures through December 31, 1963 (of which amount \$1,520,000 will be used to pay short-term notes). The balance of the borrowings will be applied to construction expenditures subsequent to December 31, 1964, or to the reimbursement of treasury therefor or repay short-term bank borrowings in 1964.

ALLEGHENY POWER SYSTEM STOCK SPLIT. The SEC has issued an order under the Holding Company Act (Release 35-15038) approving a proposal of Allegheny Power System, Inc., New York holding company, to amend its charter to change the par value of its common stock from \$5 to \$2.50 per share and to increase authorized common shares from 12,500,000 to 25,000,000. Allegheny now has outstanding 9,338,589 shares of \$5 par common which will not have to be surrendered but will represent the same number of \$2.50 par common shares; and upon approval of the stock split by shareholders (at meeting scheduled for May 14th), the company will issue and mail to shareholders one new share for each share held.

DUNHILL INTERNATIONAL ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3943) declaring that Dunhill International, Inc., Ravenna, Ohio, is primarily engaged in business other than that of an investment company.

SEC COMPLAINT NAMES BILL WILLOUGHBY COIN EXCHANGE. The SEC announced today (LR-2876) the filing of Federal court action (USDC, Los Angeles) seeking to enjoin Bill Willoughby Coin Exchange (of Los Angeles) and its partners from further violating the Securities Act registration requirement in the sale of profit-sharing agreements incident to its coin investment program.

SEC COMPLAINT NAMES THERMAL DYNAMICS. The SEC Denver Regional Office announced March 20 (LR-2877) the filing of Federal court action (USDC Salt Lake City) seeking to enjoin Thermal Dynamics Corporation and K. Ralph Bowman (vice president), of Salt Lake City, from further violations of the Securities Act registration and anti-fraud provisions in the sale of Thermal Dynamics stock.

CAPITAL GAINS RESEARCH BUREAU ENJOINED. The SEC New York Regional Office announced March 26 (LR-2878) the entry of a Federal court order (USDC SDNY) permanently enjoining Capital Gains Research Bureau, Inc., an investment adviser firm, and its president, Harry P. Schwarzmann, from further violating Sections 206(1) and (2) of the Investment Advisers Act. The defendants consented to the decree.

PENNSYLVANIA LIFE PROPOSES OFFERING. Pennsylvania Life Company, 9601 Wilshire Blvd., Beverly Hills, Calif., filed a registration statement (File 2-22198) with the SEC on March 25 seeking registration of 310,000 shares of common stock. The stock is to be offered for public sale through an underwriting group headed by Reynolds & Co., 120 Broadway, New York City, and Lester, Ryons & Co., 623 South Hope St., Los Angeles. The offering price (\$13 per share maximum*) and underwriting terms are to be supplied by amendment.

Also included in the statement are an additional 328,144 common shares, which may be issued by the company from time to time pursuant to the exercise of options held by officers and other employees and agents of a subsidiary, the Pennsylvania Life Insurance Company.

Organized under Nevada laws in December 1963, the company is not authorized to write insurance or re-insurance on or for its own account. Its participation in the business of insurance is solely through the said subsidiary, Pennsylvania Life Insurance Company, of which it owns about 99.9% of the outstanding capital stock. The subsidiary is an unlimited stock life insurance company formed in January 1948 under Pennsylvania laws and has written accident and health (primarily disability income insurance) and life policies in 42 states and the District of Columbia. Net proceeds of this financing will be made available to the subsidiary for enlargement of its agency force, to absorb the cost of writing additional new business, and to provide the funds and reserves necessitated by the writing of such additional business. The company presently has 1,580,480 outstanding common shares, of which Roy C. Markus (board chairman) owns 34.7%, Eva Markus (vice president) 26.2%, and Joe D. Bain (president) 12.2%. Management officials as a group own 73.1%.

BENEFICIAL FINANCE FILES STOCK PLAN. Beneficial Finance Co., 1300 Market St., Wilmington, Del., filed a registration statement (File 2-22200) with the SEC on March 25 seeking registration of \$10,000,000 of thrift accounts, to be offered under the company's Beneficial Thrift Plan.

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SIGNAL OIL AND GAS FILES STOCK PLAN. Signal Oil and Gas Company, 1010 Wilshire Blvd., Los Angeles, filed a registration statement (File 2-22201) with the SEC on March 26 seeking registration of 54,501 shares of \$2.40 dividend cumulative convertible preferred stock, to be offered to officers and key employees of The Garrett Corporation (a wholly owned subsidiary) under the company's Employee Stock Options.

HEWLETT-PACKARD FILES FOR SECONDARY. Hewlett-Packard Company, 1501 Page Mill Rd., Palo Alto, Calif., filed a registration statement (File 2-22202) with the SEC on March 26 seeking registration of 92,500 outstanding shares of common stock. The present holders thereof propose to make a public offering of the shares through an underwriting group headed by Blyth & Co., Inc., Russ Bldg., San Francisco, and Lazard Freres & Co., 44 Wall St., New York. The public offering price (\$20 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged primarily in the development and manufacture of precision electronic measuring instruments. In addition to indebtedness and preferred stock, it has outstanding 11,241,276 shares of common stock, of which David Packard (president) and William R. Hewlett (executive vice president) each own 32.6%. The prospectus lists six selling stockholders, none of whom is a company official. Francis L. Mosely is offering 50,000 of his holding of 51,514 shares, and C. William Harrison 15,000 of his holding of 63,977. Others propose to sell amounts ranging from 1,500 to 17,000 shares.

LEHIGH PRESS FILES FOR OFFERING AND SECONDARY. The Lehigh Press, Inc., 7001 N. Park Dr., Pennsauken, N. J., filed a registration statement (File 2-22203) with the SEC on March 26 seeking registration of 52,549 shares of common stock. Of this stock, 17,549 shares are being offered for public sale by the company and 35,000 shares (being outstanding stock) by the present holder thereof, George D. Kline, Trustee. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. Goodbody & Co., Two Broadway, New York, is listed as the principal underwriter.

The company is engaged in the commercial printing business. In 1963 it acquired all of the outstanding stock of Auto Screen Print, Inc., a silk screen printer engaged primarily in printing cloth book covers. The net proceeds from the company's sale of additional stock will be allocated, to the extent available, to the cost of additional printing presses and other equipment (estimated at \$250,000) and to the cost of constructing a proposed \$200,000 addition to the company's existing facilities. In addition to some \$120,000 of notes issued in connection with the reacquisition and cancellation of stock from certain former shareholders, the company has outstanding 467,451 common shares, of which John D. DePaul (president) owns 25.6% and Valentine R. DePaul (board chairman) owns 12.8%. Management officials as a group own 45% of the outstanding stock. George D. Kline, as Trustee, holds 49,500 shares for the benefit of members of the families of Valentine and John DePaul, of which 35,000 shares are to be sold.

CONSOLIDATION COAL FILES STOCK PLAN. Consolidation Coal Company, Koppers Bldg., Pittsburgh, filed a registration statement (File 2-22204) with the SEC on March 26 seeking registration of \$3,000,000 of participations in its Investment Plan for Salaried Employees, together with 100,000 shares of common stock which may be offered thereunder.

CHESAPEAKE LIFE FILES EXCHANGE PLAN. The Chesapeake Life Insurance Company, 611 St. Paul St., Baltimore, filed a registration statement (File 2-22205) with the SEC on March 26 seeking registration of 80,000 shares of Class A common stock. It is proposed to offer these shares to holders of the Class A and Class B common stock of Guaranty Life Insurance Company of America (of Washington, D.C.) on the basis of 2 shares of Chesapeake Class A stock for each 5 shares of Guaranty Class A or Class B stock, irrespective of class. The offer is contingent upon the tender of not less than 90% of the Guaranty Class B and 80% of the Guaranty Class A stock in exchange for the Chesapeake Class A stock.

Chesapeake was organized under Maryland law in 1956 and is licensed to write insurance in Maryland and 12 other states and the District of Columbia. It has outstanding 253,554 Class A and 145,928 Class B shares, of which management officials own 49.21% and 10.35%, respectively. If the exchange offer is successful, they will own 37.41% and 10.35%, respectively. Leonard H. Rosenberg is president. Guaranty was organized under laws of the District of Columbia in October 1958 and is licensed to do business in Washington, D. C., Maryland and Virginia. It has outstanding 100,000 shares of Class A and of Class B stock. Harry Merkin, president, owns 93.90% of the Class B stock and a total of 47.10% of both classes. The directors of both companies are said to believe that their proposed affiliation will provide the means for more effective use of capital funds and also benefit the stockholders of both companies from the economies of combined operation and reduced overhead which is anticipated.

LA MAUR FILES FOR SECONDARY. La Maur Inc., 110 N. Fifth St., Minneapolis, filed a registration statement (File 2-22206) with the SEC on March 26 seeking registration of 60,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering price (\$14 per share maximum*) and underwriting terms are to be supplied by amendment. Paine, Webber, Jackson & Curtis, 25 Broad St., New York, is listed as the principal underwriter. Also included in the registration statement are an additional 11,100 shares, to be issued upon the exercise of options granted or to be granted under the company's Qualified Stock Option Plan.

The company is primarily engaged in the manufacture and distribution of hair preparation, cosmetics, and other toiletries for women, both for professional beauty shops and the retail consumer trade. After giving effect to the 3-for-2 stock split (effective April 1964), it will have outstanding 594,822 shares of common stock, of which Maurice L. Spiegel (president), Minnie Spiegel (his wife) and Walter C. Smith (vice president) will own, respectively, 211,680, 132,300 and 76,380 shares. Of the shares being offered to the public, 33,750 are for the account of Spiegel, 7,500 for the account of Minnie Spiegel and 18,750 for the account of Smith.

SWANEE PAPER FILES FOR SECONDARY. Swanee Paper Corporation, 1290 Avenue of the Americas, New York City, filed a registration statement (File 2-22207) with the SEC on March 26 seeking registration of 200,000 outstanding shares of common stock. The present holders thereof propose to make a public offering of the shares through an underwriting group headed by Bear, Stearns & Co., One Wall St., New York City. The offering price (\$14.50 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the production and sale of colored, white and printed sanitary tissue paper products consisting of bathroom tissues, facial tissues, household towels, paper napkins and bulk tissue rolls. In addition to indebtedness, it has outstanding 835,000 common shares, of which management officials own 61.29%. The selling stockholders are Harry Pearlman (board chairman), who is offering 80,000 of his holding of 226,377 shares; Edmund Pearlman (president), who is offering 60,000 of his holding of 142,344 shares; and Arthur Pearlman (executive vice president) who is offering 60,000 of his holding of 142,344. After successful completion of this offering, the aggregate holdings of the management officials will represent 37.35% of the outstanding common stock.

UNION CARBIDE FILES STOCK PLANS. Union Carbide Corporation, 270 Park Ave., New York City, filed registration statements with the SEC on March 26 seeking registration of securities, as follows: (1) File 2-22208: 136,450 shares of capital stock, to be offered under the company's Incentive Plan; and (2) File 2-22209: \$32,000,000 of interests or participations in the Savings Plan for employees of the company and United States subsidiary companies, together with 40,000 shares of capital stock which may be purchased under said plan.

UNLISTED TRADING SOUGHT. The SEC has issued an order under the Securities Exchange Act (Release 34-7279) giving interested persons until April 12 to request a hearing upon an application of the Pittsburgh Stock Exchange for unlisted trading privileges in the common stock of Papercraft Corporation.

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. Copies thereof may be ordered from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with photocopy material when mailed. An index of the caption of the several items of the form was included in the March 9th News Digest.

Patrician Paper Co., Inc Feb 64 (It 12)	Wayne Knitting Mills Mar 64 (Its 12,13)
Peoria & Eastern Ry Co Feb 64 (Its 3,13)	Atlas Sewing Centers Inc Feb 64 (Its 6,13)
Taylor Corp Jan 64 (Its 12,13)	Holland Furnace Co Feb 64 (Its 2,12)
Aetna Ins. Co Mar 64 (It 11)	The Pavelle Corp Feb 64 (Its 1,12)
Commonwealth Oil Refining Co., Inc Feb 64 (It 12)	Portland Genl. Elec. Co Feb 64 (It 11)
Divco-Wayne Corp Feb 64 (Its 11,13)	Varian Assoc. Feb 64 (Its 7,11)
New Orleans Terminal Co Feb 64 (Its 11,13)	Home Tel & Tel Co of Va Amend to 8K for
Thomas & Betts Co Feb 64 (Its 11,13)	Jan 64 (It 13)
Atlantic Co Feb 63 (It 11), Feb 61 (Its 11,13),	Wrather Corp Amend #1 to 8K for Dec 63
Feb 62 (It 11), Sept 62 (Its 2,7,11,13), &	(Its 7,13)
Feb 64 (Its 11,13)	Caressa, Inc Amend to 8K for Aug 63
Automatic Steel Products, Inc Feb 64 (It 12)	(Its 2,7,13)
Bergen Drug Co., Inc Feb 64 (It 7)	Helmerich & Payne, Inc Amend #2 to 8K for
Curtis Publishing Co Feb 64 (Its 3,9)	Feb 63 (It 7)
Greater All American Markets, Inc Feb 64	Leader-Durst Corp Amend #1 to 8K for Nov 63
(Its 2,8,11,13)	(Its 2,13)
Vector Mfg. Co., Inc. May 63 (Its 11,12), &	
Jan 64 (Its 11,12,13),	

SECURITIES ACT REGISTRATIONS. Effective March 26: American Way Investors, Inc. (File 2-22073).

ORAL ARGUMENT, Coming Week. April 2 - 2:30 P.M., Market Values, Inc.

*As estimated for purposes of computing the registration fee.

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