

# 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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**ODD-LOT TRANSACTIONS REPORTED.** The SEC today announced (Stat. Release 2027) that, commencing with its January 1965 issue of the SEC Statistical Bulletin, data will be included in this monthly series showing (on a weekly basis) totals of customers' odd-lot purchases and sales in 75 selected stocks listed on the New York Stock Exchange. This information is being furnished to the Commission by the two major odd-lot firms on the Exchange, and is the first time that such data will be publicly available on a regular basis. While the two firms generally handle just over 99% of total odd-lot transactions, their volume of odd-lot transactions in any individual stock may not necessarily represent that percentage of odd-lot trading in that stock. At present, the 75 stocks, which include the 30 stocks in the Dow-Jones Industrial Average and other market leaders, represent approximately 30% of total odd-lot customers' purchases and sales. The list of stocks is subject to change from time to time. The January 1965 issue of the Statistical Bulletin contains weekly odd-lot volume information for the weeks ending October 30, 1964 to December 24, 1964. Further issues of the monthly Bulletin will contain weekly odd-lot volume figures covering succeeding four to five week periods. The Statistical Bulletin may be obtained from the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402. The price is 15¢ for a single issue and \$1.50 for a year's subscription -- 75¢ additional for foreign mailing.

**SEARLE & CO. FILES FOR SECONDARY.** G. D. Searle & Co., P. O. Box 5110, Chicago, Ill., filed a registration statement (File 2-23114) with the SEC on January 27 seeking registration of 585,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. Smith, Barney & Co. Inc., 20 Broad St., New York, is listed as the principal underwriter. The public offering price (\$70 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company manufactures and sells products known as "ethical" pharmaceuticals, which are presented directly to the medical profession and are not advertised or promoted to the public. The company has outstanding 13,241,460 common shares, of which management officials own 31.9%. The prospectus lists nine selling stockholders, including Harris Trust and Savings Bank, as trustee under the Marion Searle grandchildren's trusts of 1941, offering 150,000 of 1,260,000 shares held; Harris Trust and Savings and John G. Searle, as trustees under the will of Claude H. Searle, 100,000 of 1,982,880; Harris Trust and Savings, as executor under the will of Marion Searle, 100,000 of 135,300; and Daniel C. Searle (executive vice president), Suzanne Searle Dixon, and William L. Searle (vice president), who are each offering 55,000 shares of 183,854, 189,360 and 184,934 shares, respectively. The remaining selling stockholders are offering stock ranging in amounts from 15,000 to 30,000 shares. John G. Searle is president of the company.

**DPA PROPOSES OFFERING.** DPA, Inc., 2636 Farrington St., Dallas, Tex., filed a registration statement (File 2-23115) with the SEC on January 27 seeking registration of 150,000 shares of common stock. The stock is to be offered for public sale through underwriters headed by Federman, Herrman, Stonehill & Co., Inc., 50 Broadway, New York; Mitchum, Jones & Templeton, Inc., 510 S. Spring St., Los Angeles; and Coggeshall & Hicks, also of the New York address. The public offering price (\$6 per share maximum\*) and underwriting terms are to be supplied by amendment. The company has also agreed to sell to the principal underwriters for \$5,000, nontransferable warrants to purchase an aggregate of 16,500 common shares.

Organized under Texas law in 1960, the company (formerly Data Processing Associates, Inc.) is engaged primarily in leasing data processing equipment of the unit record type used to maintain financial and accounting records. Net proceeds from its stock sale will be used to purchase from time to time additional data processing equipment and for other general corporate purposes. In addition to indebtedness, the company has outstanding 373,050 common shares, of which management officials own 40.9%. Bob L. Caldwell (board chairman and president) purchased 74,329 shares for \$146,531 and Loyse E. Caldwell (vice president) acquired 72,398 shares for \$74,060.

**STATERS BROS. MARKETS FILES FOR SECONDARY.** Stater Bros. Markets, 21700 Barton Rd., Colton, Calif., filed a registration statement (File 2-23117) with the SEC on January 27 seeking registration of 250,000 outstanding shares of common stock. The present holders thereof propose to offer the stock for public sale through underwriters headed by Blyth & Co., Inc., 629 S. Spring St., Los Angeles. The public offering price (\$17 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company operates 27 supermarkets located in Southern California. In addition to indebtedness, it has outstanding 1,332,360 common shares. The prospectus lists five selling stockholders, including Cleo Stater (president), offering 100,000 of 420,320 shares held, and Leo A. Stater (vice president), 100,000 of 448,400. Upon completion of the proposed sale, holdings by management officials will be reduced from 86.6% to 68.7% of the outstanding stock.

**FORREST LIFE INS. PROPOSES OFFERING.** Forrest Life Insurance Company, 201 22nd Ave., North, Nashville, Tenn., filed a registration statement (File 2-23118) with the SEC on January 27 seeking registration of 233,000 shares of common stock, to be offered for sale at \$12 per share through company officials to certain "initial investors" in the company. The company also filed a registration statement (File 2-23119) covering an additional 350,000 common shares, to be offered for public sale at \$12 per share through underwriters headed by Equitable Securities Corp., 322 Union St., Nashville, Tenn., and R. S. Dickson & Co., Inc.,

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1500 Wachovia Bank Bldg., Charlotte, N. C. The effectiveness of the underwriting agreement, however, is conditional upon the company's sale of the 233,000 common shares. The underwriting terms are to be supplied by amendment.

Organized under Tennessee law in December 1964, the company intends to conduct a life, health and accident insurance business. Net proceeds from its stock sale will be used to meet organization expenses of the company, and the balance will be used in the conduct of its insurance business. The company has outstanding 100,327 common shares, of which 83,327 were issued to shareholders of Blair, Follin, Allen & Walker, Inc. (a life insurance agency) in exchange for all of the capital stock of that company and 17,000 shares were sold at \$12 per share. Webb Follin, Jr. (president of the company) and William B. Allen (vice president) each received 34,314 company shares through such exchange.

GENERAL TELEPHONE OF CALIF. PROPOSES BOND OFFERING. General Telephone Company of California, 2020 Santa Monica Blvd., Santa Monica, Calif., filed a registration statement (File 2-23121) with the SEC on January 27 seeking registration of \$35,000,000 of first mortgage bonds, Series Q, due 1995, to be offered for public sale at competitive bidding. The company will use the net proceeds from its bond sale to discharge short-term bank loans obtained to finance its construction program. The balance, if any, will be added to treasury funds to be used for property additions and improvements in 1965 (estimated at \$118,000,000). The company's outstanding voting stock is 97%-owned by General Telephone & Electronics Corp. R. Parker Sullivan is president of the company.

CHRISTIANA SECURITIES RECEIVES ORDER. The SEC has issued an exemption order under the Investment Company Act (Release IC-4155) with respect to an offer by Christiana Securities Company, Wilmington, Del., investment company, to its stockholders (some of whom may be affiliated persons of Christiana) to exchange its shares for common shares of General Motors Corporation. Pursuant to a Federal court order, Christiana must divest all GM stock before May 1, 1965.

GOLCONDA MINING SEEKS ORDER. Golconda Mining Corporation, Wallace, Idaho, has applied to the SEC for an exemption order under the Investment Company Act, particularly with respect to those transactions by non-registered investment companies prohibited by Section 7 thereof; and the Commission has issued an order (Release IC-4157) giving interested persons until February 17 to request a hearing. According to the application, Golconda applied to the Commission on August 14, 1964, for an order declaring that it has ceased to be an investment company. Section 3(b)(2) of the Act provides that the filing of such an application shall exempt the applicant for a 60-day period from all provisions of the Act applicable to investment companies. The 60-day period having expired on October 12, 1964, Golconda is requesting an exemption order covering the period from that date until such time as the Commission acts upon the said application.

LYNDON M. MACK ENJOINED. The SEC Seattle Regional Office announced January 25 (LR-3135) the entry of a Federal court order (USDC Boise, Idaho) permanently enjoining Lyndon M. Mack, doing business as Mack Oil Co., from further violating the Securities Act registration provisions in the sale of interests in oil and gas leases.

CORPORATE OFFERINGS REPORTED. The SEC announces (for January 29th Newspapers) that new corporate securities offered for cash in 1964 amounted to a record \$13.4 billion. The volume compares with \$12.2 billion in 1963 and the previous record of \$13.2 billion in 1961. Highlights of the year's financing included a record amount of privately-placed issues and the sale of the largest single issue in corporate history, the \$1.2 billion AT&T stock issue. (For details see Stat. Release No. 2028).

INVESTORS SYNDICATE SEEKS ORDER. Investors Syndicate of America, Inc., of Minneapolis, has applied to the SEC for an order under the Investment Company Act authorizing it to categorize uninsured property-improvement loans as qualified investments; and the Commission has issued an order (Release IC-4156) giving interested persons until February 18 to request a hearing thereon. According to the application, Investors Syndicate's wholly-owned subsidiary, Investors Syndicate Credit Corp., engages in the purchasing and servicing of property-improvement notes. Uninsured property-improvement notes will be purchased by applicant only from the subsidiary and will be endorsed by the subsidiary with recourse. The maximum loan of this type will be \$5,000 per property, regardless of the number of units of which the property may be comprised.

SECURITIES ACT REGISTRATIONS. Effective January 27: Lear Siegler, Inc. (File 2-22986). Effective January 28: Callery-Knight Groves (File 2-22867); Life and Health Insurance Co. of Saint Louis (File 2-22852); Space City Investments, Inc. (File 2-22635).

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

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