

# 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 31, 1963

**HOLIDAY INNS FILES STOCK PLAN.** Holiday Inns of America, Inc., 3736 Lamar Ave., Memphis, Tenn., filed a registration statement (File 2-21985) with the SEC on December 30 seeking registration of 327,212 shares of common stock, which have been or are to be offered pursuant to the company's stock option plans.

**AMICO PROPERTIES FILES FOR OFFERING AND SECONDARY.** Amico Properties, 17000 Ventura Blvd., Encino, Calif., filed a registration statement (File 2-21986) with the SEC on December 30 seeking registration of 80,000 shares of beneficial interest in the Amico Properties trust. The shares are to be offered for public sale at \$8 per share, three of each four shares by the trust and the fourth by the present holders thereof. The offering will be made on a best efforts basis by Ralph E. Loesch & Co., of 619 Ocean Blvd., Coronado, Calif., which will receive an 80¢ per share selling commission.

The trust was organized in May 1963 under Massachusetts law for the purpose of acquiring all the assets of Amico, Inc., a Delaware corporation. This acquisition was accomplished; and the trust now owns seven properties located in Seattle and Tacoma, Wash., and Portland, Ore. It is designed to qualify as a "real estate investment trust" as defined in Section 856 of the Internal Revenue Code. Proceeds to the trust from its sale of additional shares may be used for the acquisition of additional investment properties as they are located, in accordance with its stated investment policies. Management officials headed by Ralph E. Loesch, president, own 324,577 (36.7%) of the outstanding shares. Loesch, who owns 317,311 shares, proposes to sell 19,000 shares and Edward L. Rosling, vice president, 1,000 shares.

**TWIN DISC CLUTCH CO. PROPOSES OFFERING.** Twin Disc Clutch Company, 1328 Racine St., Racine, Wisc., filed a registration statement (File 2-21987) with the SEC on December 30 seeking registration of 90,000 shares of common stock, to be offered for public sale through underwriters headed by Dean Witter & Co., 50 W. Adams St., Chicago, and Loewi & Co., Inc., of 225 E. Mason St., Milwaukee. The public offering price (\$26 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture and sale of power transmission equipment for industrial application consisting of industrial clutches, hydraulic torque converters, fluid couplings, power-shift transmissions, marine gears, universal joints and power take-offs and reduction gears. Net proceeds of its stock sale will be used in part to retire \$1,600,000 of term loan notes. The balance will be used for working capital, principally for carrying of inventories and accounts receivable. The notes were issued to refund some \$1,100,000 of indebtedness and to provide additional working capital.

In addition to indebtedness, the company has outstanding 720,000 common shares, of which John H. Batten, president, owns 47,010 (6.5%). Officers and directors as a group own 19.3%.

**SCOTT PAPER FILES STOCK PLAN.** Scott Paper Company, Philadelphia, filed a registration statement (File 2-21988) with the SEC on December 30 seeking registration of 14,784 shares of common stock, consisting of 7,500 shares which have been and 7,284 shares which are to be contributed to the Scott Paper Company Foundation, of Philadelphia, and which may later be offered for sale by the Foundation.

**APACHE CORP. FILES OFFERING PROPOSALS.** Apache Corporation, 1800 Foshay Tower, Minneapolis, filed registration statements with the SEC on December 30, as follows: File 2-21990 - seeking registration of 300 Program Units in the Apache Canadian Oil and Gas Program 1964, to be offered for sale at \$7,500 per unit; File 2-21989 - seeking registration of 350 Program Units in the Apache Oil and Gas Program 1965, to be offered for public sale at \$15,000 per unit; and File 2-21991 - seeking registration of 250 Program Units in the Apache Oil and Gas Program 1965-A, to be offered for public sale at \$5,000 per unit.

The 1964 Canadian program may commence operations at any time between July 1 and December 31, 1964, provided not less than \$600,000 has been subscribed at such time. Proceeds will be used to acquire gas and oil leases; to do test drilling; to pay to Apache and Apache Oil Corp. (a subsidiary of Apache, which will conduct operations on behalf of the program), compensation due them; and, to the extent commercial reserves may be indicated, to do initial developmental drilling. Apache will be the managing partner of the program and will expend funds in the manner which, in its judgment, offers the best chance of maximizing returns. As compensation, Apache will receive (a) 6% of all program funds originally subscribed, and 4% of all additionally invested funds, (b) an overriding royalty interest which shall bear the same relationship to 1/16th of the total gas and oil produced and saved from each program lease as the program's working interest bears to the total working interest; and (c) 25% of the program's net profits.

The 1965 program may commence operations between December 20, 1964, and June 30, 1965, provided not less than \$600,000 has been subscribed; and the 1965-A program may commence operations during that period provided not less than \$200,000 has been subscribed. Apache also will serve as managing partner for these two programs under arrangements similar to those applicable to the 1964 Canadian Program. The prospectus lists Raymond Plank as president and Truman E. Anderson as board chairman of Apache.

OVER

**GAFFERS & SATTLER SEEKS EXEMPTION.** The SEC has issued an order under the Securities Exchange Act of 1934 giving interested persons until February 3, 1964, to request a hearing upon an application of Gaffers & Sattler Corporation, of Los Angeles, Calif., for an exemption from the duty to file future annual and other periodic reports.

The obligation to file such reports arose in May 1946 when the company made a public offering of securities pursuant to a Securities Act registration statement. According to the present application, 651,419 shares (99.784%) of the 652,830 outstanding shares of common stock are held by Republic Corporation and the 1,411-share balance by 28 other record holders. The company has agreed to furnish all such holders the annual and interim reports of Republic Corporation and to furnish financial information about itself on request.

**TRADING BAN IN CONTINENTAL VENDING AND TASTEE FREEZ CONTINUED.** The SEC has issued orders under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Continental Vending Machine Corp. and Tastee Freez Industries, Inc., for a further ten-day period January 2 - 11, 1964, inclusive.

**AMERICAN RESEARCH RECEIVES ORDER.** The SEC has issued an order pursuant to Section 851(e) of the Internal Revenue Code of 1954 (Release IC-3879) certifying that American Research and Development Corporation, Boston, is principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available. American Research proposes to qualify as a "regulated investment company" under Section 851(e) of the Code for the fiscal year ending December 31, 1963. In order for American Research to so qualify, it is required, among other things, that this Commission enter an order making the certification requested.

**SOCONY MOBIL OIL GRANTED EXEMPTION.** The SEC has issued an order under the Investment Company Act (Release IC-3880) granting an application of Socony Mobil Oil Company, Inc., of New York, for an exemption of the Equity Fund and the Balanced Fund, to be established under the company's Employees Savings Plan, from various provisions of the said Act.

**LIFE & FINANCE RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-3881), pursuant to an application of Life and Finance Companies, Inc., Indianapolis, authorizing (1) the granting by Wabash Fire and Casualty Insurance Company to Applicant of an option to purchase 786,448 authorized but unissued shares of Wabash common stock at a price of \$2.00 a share on or before December 31, 1964; (2) the proposed issuance and sale by Wabash to Applicant (as a result of the latter's election to partially exercise such option) of 500,000 shares of Wabash common stock on or before December 31, 1963, at a price of \$2.00 a share in cash; (3) the borrowing by Applicant of \$1,000,000 from banks on short term notes; and (4) the action taken by those officers and directors of Applicant who own stock of Wabash to effectuate the foregoing transactions. Life and Finance now has pending before the Commission an application for an order declaring that it is primarily engaged in business other than that of an investment company.

**J G FOWLER ENJOINED.** The SEC Fort Worth Regional Office announced December 27 (LR-2809) the entry of a Federal court order (USDC Ft. Worth) permanently enjoining John Gatch Fowler of Fort Worth from the offering and sale of oil interests in properties situated in Wichita County, Texas, in violation of the Securities Act registration requirement.

**WESTATES PETROLEUM FILES FINANCING PROPOSAL.** Westates Petroleum Company, 811 West 7th St., Los Angeles, filed a registration statement (File 2-21992) with the SEC on December 30, seeking registration of \$5,000,000 of subordinated debentures due 1979, to be offered for public sale through underwriters headed by William R. Staats & Co., 640 South Spring St., Los Angeles. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The principal activities of the company are the acquisition, exploration and development of oil and gas properties and the production and sale of oil and gas in the United States and Canada. The company has recently, through its participation with Ausonia Mineraria-AMI, S.p.A., become engaged in the exploration and development of concessions and permits in Italy, Libya and Algeria. Of the net proceeds of this financing, \$1,375,000 will be applied to the payment in full of a bank loan, \$2,261,000 to the payment in full of notes held by the United California Bank, and the balance will be added to general funds of the company. Part of these borrowings were applied to the Ausonia venture. In addition to indebtedness, the company has outstanding 237,211 shares of \$10 par preferred and 4,985,874 shares of common stock (of which latter management officials own some 20%). H. W. Thompson is president.

**GEORGIA - PACIFIC FILES STOCK PLAN.** Georgia-Pacific Corporation, Equitable Bldg., Portland, Ore., filed a registration statement (File 2-21994) with the SEC on December 30 seeking registration of \$10,000,000 of interests in the Georgia-Pacific Stock Bonus Trust, together with underlying common shares, to be offered to eligible employees of the company and its subsidiaries.

**SECURITIES ACT REGISTRATIONS.** Effective December 31: Diana Stores Corp. (File 2-21932).

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