

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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ADVANCED RESEARCH ASSOCIATES HEARING POSTPONED

At the request of counsel for Advanced Research Associates, Inc., Kensington, Md., the Commission has postponed from May 29 to June 2, 1959, the hearing in the "stop order" proceedings instituted by the Commission against a Securities Act registration statement filed by that company which proposed the public offering of 400,000 shares of common stock at \$6 per share. The order authorizing the proceedings challenged the accuracy and adequacy of various disclosures contained in the registration statement. Company counsel requested the postponement in order that he might have additional time to prepare for trial.

RYAN AERONAUTICAL FILES FOR OFFERING AND SECONDARY

The Ryan Aeronautical Co., 2701 Harbor Drive, San Diego, Calif., filed a registration statement (File 2-15157) with the SEC on May 26, 1959 seeking registration of 330,000 shares of common stock. Of this stock, 275,000 shares are to be offered for public sale for the account of the issuing company and 55,000 shares, representing outstanding stock, by the holder thereof, T. Claude Ryan, president and board chairman. The public offering price and underwriting terms are to be supplied by amendment. Dean Witter & Co. is listed as the principal underwriter.

Net proceeds to the company from its sale of stock will be added to the general funds of the company. These funds will be used to increase working capital required by the company's increasing volume of business, particularly commercial and electronics business. Initially, the funds realized will be used to reduce notes payable to banks.

The company now has outstanding 1,355,330 common shares, of which 328,000 shares (24.2%) are owned by Emtor, Inc., of Los Angeles and 168,910 (12.5%) by Ryan.

STUDEBAKER-PACKARD CORPORATION FILES EMPLOYEE STOCK PLAN

Studebaker-Packard Corporation, South Bend, Ind., filed a registration statement (File 2-15158) with the SEC on May 26, 1959, seeking registration of 500,000 shares of common stock, to be offered to certain officers and key employees of the company and its subsidiaries under the company's "Stock Ownership Plan."

RADAR DESIGN PROPOSES STOCK OFFERING

Radar Design Corporation, Syracuse, N. Y., filed a registration statement (File 2-15159) with the SEC on May 26, 1959, seeking registration of 120,000 shares of Common Stock, \$1.00 par value, to be offered for public sale through an underwriting group headed by Charles Plohn & Co., on a best efforts basis. The stock will be offered to the public at a price of \$3.00 per share, with underwriting commissions of 51 cents per share, plus \$30,000 for expenses.

The company, which was incorporated in May 1956 and is in the early developmental stage, designs and manufactures component parts for electronic systems, including radar sets, as well as engineering laboratory instruments used by development engineers in high frequency work. Proceeds

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of the stock offering will be applied as follows: \$20,000 toward the liquidation of notes payable; \$11,000 for the retirement of a mortgage on equipment; \$59,000 for new equipment; \$29,100 toward the liquidation of accounts payable; and the remainder for additional payroll and working capital.

The prospectus lists Glyn Bostick of Dewitt, N. Y., as president. The company now has outstanding 130,000 shares of stock. Bostick and Richard J. Murray, treasurer, own 6,300 and 7,600 shares, respectively; and they have a 5-year option to acquire an additional 25,000 shares at 110% of the offering price of this issue.

GATE CITY STEEL FILES FOR EXCHANGE OFFER OF DEBENTURES

Gate City Steel, Inc. -- Omaha, 1602 North 11th Street, Omaha, Nebraska, filed a registration statement (File 2-15160) with the SEC on May 26, 1959, seeking registration of \$1,250,000 of 6% Sinking Fund Debentures, Series A, due May 1, 1969. Holders of the company's outstanding \$350,000 of 5% Sinking Fund Debentures, which the company proposes to refund and retire, will be given an opportunity to exchange their debentures for the new Series A 6% Debentures. Concurrently with the exchange offer the company will offer to the public \$900,000 of the Series A Debentures at a price of 100% of the principal amount thereof, plus the balance of the Series A Debentures not exchanged for the outstanding debentures. The First Trust Company of Lincoln, Nebraska, is named as principal underwriter. It will receive a 4% commission on new debentures exchanged for outstanding debentures, and a 9% commission on debentures sold to the public.

Of the proceeds from the sale to the public of the \$900,000 of Series A Debentures, the company plans to advance approximately \$150,000 to its wholly-owned subsidiary, Moffett Engineering Inc., to enable Moffett to purchase shop machinery and equipment, and to apply the remainder to the reduction of short-term bank borrowings outstanding in an amount of \$750,000. Moffett was acquired in December 1958 and is primarily engaged in the design and manufacture of heavy duty custom built cranes. Its plant is now located in Albany, California, but soon will be moved to Berkeley, California.

TELEMETER MAGNETICS PROPOSES STOCK OFFERING

Telemeter Magnetics, Inc., 2245 Pontius Ave., Los Angeles, filed a registration statement (File 2-15161) with the SEC seeking registration of 150,000 shares of common stock, to be offered for public sale through an underwriting group headed by Lehman Brothers, Hallgarten & Co., and Hemphill, Noyes & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged principally in the design, development, manufacture and sale of digital data handling equipment and components for the computer and data processing industry. Net proceeds of this stock sale will be added to the general funds of the company. Such proceeds will be applied initially to the reduction of short term bank loans incurred for working capital purposes as a consequence of the expansion of the company's business.

Of the 701,144 outstanding shares of common stock, Paramount Pictures Corp. owns 639,144 shares, or 91.2%.

CRESCENT PETROLEUM SEEKS SHARE REGISTRATION

Crescent Petroleum Corporation, Atlas Life Bldg., Tulsa, Okla., filed a registration statement (File 2-15162) with the SEC on May 26, 1959, seeking registration of 48,460 shares of Preferred Stock, 5% Convertible Series, \$25 par, and 12,559 shares of common stock, \$1 par.

According to the prospectus, 34,460 of the preferred shares and 9,059 of the common shares are issuable upon exercise of stock options assumed when the assets of Norbute Corporation (Minn.) were acquired on August 6, 1958. The balance of 14,000 shares of preferred and 3,500 common shares comprise shares issued subsequent to such acquisition, upon the exercise by two holders of Norbute stock options, which shares may be offered by them. In connection with the acquisition of Norbute, holders of its common stock became Crescent stockholders to the extent of 434,881 shares of preferred and 108,720 common shares; and Crescent assumed outstanding obligations of Norbute under its Incentive Stock Option Plan for Key Executives.

CRUSADER OIL PROPOSES STOCK OFFERING

Crusader Oil and Gas Company, Pass Christian, Miss., filed a registration statement (File 2-15163) with the SEC on May 26, 1959, seeking registration of 1,500,000 shares of common stock. The company proposes to offer 641,613 shares for subscription by holders of outstanding stock of record May 15, 1959, at the rate of 1 new share for each share then held. The subscription price is to be supplied by amendment; and no discount or commission will be paid on any of the shares so subscribed. The balance of the shares, plus any of the 641,613 shares not subscribed by stockholders, will be offered for public sale through an underwriter on a best efforts basis. The name of the underwriter, the public offering price and the underwriting terms are to be supplied by amendment.

According to the prospectus, the issuing company was organized in August 1958 to provide "a corporate organization to acquire, further develop and operate interests in oil and gas properties owned by J. Paul Ratliff of Pass Christian, Mississippi, and others." It acquired a portion of the assets of the oil and gas business which had been operated by Ratliff Oil Company, a proprietorship owned by Ratliff. In exchange therefor, the company issued 2,356,000 common shares and assumed some \$275,000 of indebtedness. In February 1959, Crusader Oil & Uranium Company and Gold Empire, Inc., Colorado corporations, were merged into the issuing company, in connection with which the latter issued 641,613 common shares. The company also owns 40% of the outstanding stock of Crusader Drilling and Services, Inc., which is primarily engaged in the drilling of oil and gas wells and in servicing oil wells.

The issuing company is said to be engaged in the business of operating producing oil and gas properties, the exploration and development of its properties and the acquisition of interests in additional oil and gas properties. Of the net proceeds of its stock sale, \$60,000 is to be applied to the repayment of unsecured notes payable and \$230,000 to reduce (or pay in full) the principal amount of secured notes payable. The balance of the net proceeds will be added to the general funds of the company and will be available for the development of its present oil and gas properties and the acquisition and development of additional properties.

According to the prospectus, the company now has outstanding, 3,551,613 common shares, of which Ratliff, president and board chairman, owns 1,838,000 shares or 51.75%.

ROYAL DUTCH PETROLEUM AND SHELL TRANSPORT FILE ISSUES

N. V. Koninklijke Nederlandsche Petroleum Maatschappij (Royal Dutch Petroleum Company), 30, Carel Van Bylandtlaan, The Hague, The Netherlands, today filed a registration statement (File 2-15164) with the SEC seeking registration of 794,203 shares (nominal (par) value of 20 Netherlands guilders each.)

In a registration statement filed today by The "Shell" Transport and Trading Company, Limited (File 2-15165), that company seeks registration of 1,191,304 Ordinary Shares (€1 nominal value) including 1,191,304 New York Shares.

According to the prospectus, an offer has been made by Royal Dutch and Shell Transport to Canadian Eagle Oil Company Limited, for the whole of its assets and business. Pursuant to the offer, there would be allotted to Canadian Eagle, for distribution in kind to its shareholders, 3,971,012 fully paid Shares of Royal Dutch and 5,956,518 fully paid Ordinary Shares of Shell Transport. Bataafse Petroleum Maatschappij, N.V., a company of the Royal Dutch/Shell Group of companies, which owns about 21% of the issued share capital of Canadian Eagle, will waive its right to participate in such distribution. Canadian Eagle shareholders owning the remaining 23,826,072 Ordinary Shares of Canadian Eagle will therefore receive 2 Royal Dutch Shares and 3 Shell Transport Ordinary Shares in respect of every 12 shares of Canadian Eagle held. The offer is to be voted upon by Canadian Eagle shareholders at a meeting to be held July 21, 1959. After the shares of Royal Dutch and Shell Transport have been distributed to Canadian Eagle shareholders, Canadian Eagle is to be dissolved.

The two registration statements cover the 794,203 Royal Dutch Shares and 1,191,304 Shell Transport Ordinary Shares (including the equivalent New York Shares) which it is expected may be delivered in the United States to the holders of Canadian Eagle Shares pursuant to this offer.

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VOSS OIL PROPOSES STOCK OFFERING

Voss Oil Company, 211 South Seneca St., Newcastle, Wyo., today filed a registration statement (File 2-15166) with the SEC seeking registration of 1,231,779 shares of Class A common stock and warrants covering an additional 511,552 shares (plus the underlying shares).

It is proposed by Voss Oil to offer 1,000,000 Class A shares for public sale at \$1 per share, through an underwriting group headed by Hill, Darlington & Co. The underwriting commission is to be 15¢ per share; and the company has also agreed to issue to the underwriters three-year warrants to purchase 511,552 Class A shares at \$1 per share.

Under a recent plan of reorganization, the company's capital structure was amended so that its authorized capital stock consists of 2,500,000 Class A common and 2,500,000 Class B common and by reclassifying the outstanding 4,886,574 shares of previously authorized common stock into shares of Class B stock on the basis of six shares of the previously outstanding common representing one share of Class B. In addition, all of the company's indebtedness, aggregating \$2,325,988, with the exception of \$1,809,842 held by C. W. Murchison which is to be refinanced on a 12-year basis will be paid in full by cash payments of \$284,367 and by the issuance to certain creditors of 231,779 Class A shares on the basis of one share for each dollar of indebtedness. After giving effect to the plan and the issue and sale of the 1,000,000 Class A shares, the company will have outstanding 1,231,779 Class A shares and 814,429 Class B shares. In addition, under an agreement with Murchison, a maximum of 168,000 Class A shares may be issued to him at \$1 per share in payment on account of principal and interest on notes to be issued to Murchison. Also, an additional 100,000 Class A shares is to be issued to Kirby Petroleum Co. as compensation for services over the 5-year term of an Operating Agreement. As part of the plan of reorganization, the former officers and directors (except Frank Gentles, a director) have resigned and have been replaced by a new group of officers, of which George Gunn, Jr., is president, and Stanton W. Frederick (partner of Hill, Darlington & Co.) is board chairman and treasurer.

The balance of the net proceeds to the company from the sale of its Class A stock will be used for a pilot waterflood program, estimated to require about \$125,000, and for working capital and other corporate purposes. The pilot waterflood project is to determine whether or not a full scale waterflood of the company's properties should be undertaken.

NORTHERN ILLINOIS GAS FILES FOR BOND OFFERING

Northern Illinois Gas Company, 50 Fox St., Aurora, Ill., today filed a registration statement (File 2-15167) with the SEC seeking registration of \$20,000,000 of First Mortgage Bonds, Series due June 1, 1984, to be offered for public sale at competitive bidding. Net proceeds will be applied (a) to retire \$5,000,000 of bank loans to be obtained for temporary financing of a part of the company's new construction and (b) to increase working capital for application to construction expenditures. Construction expenditures for the five-year period 1959-1963 are now estimated at \$158,000.

CENTRAL AMERICAN MINERAL RESOURCES FILES FOR OFFERING AND SECONDARY

Central American Mineral Resources, S. A., 161 East 42nd St., New York, today filed a registration statement (File 2-15168) with the SEC seeking registration of 620,000 shares of common stock. Of this stock, 500,000 shares are to be offered for public sale for the account of the issuing company and the balance, representing outstanding stock, for the account of the present holders thereof. The offering price is to be \$1 per share. The offering is to be made directly by the company and the selling stockholders, with a 15% commission to be paid to persons who may assist in the sale.

The company was organized in 1957 under the laws of the Republic of Panama. It intends to invest in and to participate in the management of growth industry situations such as lumber, textiles, minerals and petroleum. The management has studied numerous investment opportunities in Latin America and has now determined to make its initial investment in an established lumber business in Honduras. Net proceeds of the company's sale of stock will be used to finance its acquisition

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to provide operating capital.

The initial acquisition will be a 50% interest in a saw mill and lumber business in Honduras heretofore owned and operated by Jorge Martinez under the name Aerradero Martinez. The company will invest \$150,000 in this business. A new Honduran company will be formed, to which Martinez will convey all the assets and business in exchange for 50% of the common stock of the new company; and the balance of the stock will be acquired by the issuer for \$150,000. The funds to be invested will be used as expansion capital by the new company. The issuer will share with Martinez the managerial functions and profits of the new company. The issuer also is said to have an option to acquire for \$200,000 a 50% interest in a presently-operating Honduran textile business.

The company now has outstanding 480,000 common shares, issued in consideration of services rendered or expenses incurred on behalf of the company. The principal holders are Simha Amir, a director, 243,000 shares and Herman Hilsenrod, 100,000. Amir is said to be the company's organizer and sponsor. He is proposing the sale of 100,000 shares; and Leonard I. Schreiber proposes to sell 20,000 of his holdings of 52,800 shares. The prospectus lists Richard D. Karfunkle as president.

ANCHORAGE GAS & OIL PROPOSES RIGHTS OFFERING

Anchorage Gas & Oil Development, Inc., 134 East Second Ave., Anchorage, today filed a registration statement (File 2-15169) with the SEC seeking registration of 450,000 shares of common stock. The company proposes to offer part of this stock for subscription at \$1.50 per share by holders of outstanding stock at the rate of one new share for each three shares held of record June 1, 1959. The unsubscribed stock and the balance of this issue will be offered to the public and to holders of outstanding options to purchase stock. The underwriter is National Securities Corporation of Seattle, Wash., and the underwriting commission is \$.02-2/3 per share. The underwriter has agreed to take one-half of its stand-by fee in stock at \$1.50 per share, to be held for investment and not for resale within six months. The offering by the underwriter will be on a best efforts basis.

Organized in March 1954, the company is engaged in wildcat drilling for oil and gas on lease lands in Alaska. Its primary activities are in the Susitna Valley 30 miles North of Anchorage. Of the proceeds of this stock sale, \$15,000 will be used to discharge a bank loan indebtedness; about \$250,000 will be used during 1959 to continue exploration and drilling operations; and the balance will be added to general funds of the company and will be available for general corporate purposes.

Assuming the sale of the 450,000 shares, the public will hold a total of 1,142,889 shares (75.324%) for which it will have paid \$1,333,881 in cash, and the promoters and management officials as a group will hold 374,411 shares (24.676%), of which 350,000 shares were issued at the time of incorporation as promotion stock. The organizers are George H. and Rosetta A. Tucker and Ralph D. Peterson. They own about 32% of the presently outstanding stock. George H. Tucker is president.

CARROLL SECURITIES CO. ENJOINED

The SEC Boston Regional Office announced May 25, 1959, that Judge Bailey Aldrich (USDC, Boston) had signed an order permanently enjoining Edward J. Carroll, dba Carroll Securities Company, Brookline, Mass., from further violations of anti-manipulative provisions of the Securities Exchange Act and the commission's net capital and bookkeeping rules thereunder.

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