

# 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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**LACAL PETROLEUM FILES FOR OFFERING.** Local Petroleum Company, 550 South Flower St., Los Angeles, filed a registration statement (File 2-21137) with the SEC on March 11 seeking registration of \$1,500,000 of participating interests in its Local 1963 Exploration Program, to be offered for public sale at \$25,000 per interest. The offering will be made by J. Barth & Co., 404 Montgomery St., San Francisco, which will receive a 5% carried interest.

The Exploration Program will be primarily directed toward the discovery of substantial oil and gas reserves, such efforts to be largely concentrated in the coastal area of Louisiana and Texas. Funds deposited in the Program will be used for screening prospects, ideas and proposals related to the exploration for oil and gas; acquisition of oil and gas leases and other rights to explore or drill for oil and gas; examining, perfecting and defending title; geological, and other services; drilling, testing, completing or plugging and abandoning test wells; overhead and supervisory, administrative and general services; delay rental; and bottom-hole and dry-hole contributions. The company will receive \$1,000 per month and expenses, an overriding royalty of 2%, and a 20% carried interest as total compensation for its services in all capacities to the Program. The Program will be under the management and direction of Howard C. Pyle and Joe B. Hudson, the co-partners of Local.

**FINANCIAL FEDERATION FILES FOR SECONDARY.** Financial Federation, Inc., 615 South Flower St., Los Angeles, filed a registration statement (File 2-21138) with the SEC on March 11 seeking registration of 80,000 outstanding shares of capital stock, to be offered for public sale by the holders thereof through underwriters headed by Kidder, Peabody & Co., 20 Exchange Place, and McDonnell & Co., Inc., 120 Broadway, both of New York. The public offering price (maximum \$60 per share\*) and underwriting terms are to be supplied by amendment.

The company owns more than 80% of the outstanding equity securities of 11 California savings and loan associations which are engaged in the business of acquiring savings of the public and making real estate loans to enable borrowers to purchase, construct, improve or refinance real property. The company renders management and consultant services to the associations, operates an insurance agency business, assists in the purchase and sale of real estate loans and serves as trustee under deeds of trust. In addition to certain indebtedness, the company has outstanding 2,336,830 shares of capital stock (after giving effect to a proposed 5-for-4 stock split), of which N. H. Berger, a director, and Frances C. Berger, own a total of 471,750 shares (20.2%), and management officials as a group 566,802 shares (24.3%). The Bergers propose to sell the 80,000 shares. Edward L. Johnson is president.

**PITNEY-BOWES FILES STOCK PLAN.** Pitney-Bowes, Inc., Walnut and Pacific Streets, Stamford, Conn., filed a registration statement (File 2-21139) with the SEC on March 11 seeking registration of \$3,000,000 of participations in its Employees' Stock Purchase Plan, and an unspecified number of common shares which may be acquired pursuant thereto.

**MORTGAGE GUARANTY INSURANCE FILES FOR STOCK OFFERING.** Mortgage Guaranty Insurance Corporation, 600 Marine Plaza, Milwaukee, filed a registration statement (File 2-21140) with the SEC on March 11 seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by Hornblower & Weeks, 134 S. La Salle St., Chicago, and Robert W. Baird & Co., Inc., 731 North Water Street, Milwaukee. The public offering price (maximum \$27 per share\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the business of insuring lenders from loss on residential loans, principally on single-family, owner-occupied, non-farm homes. The net proceeds from the stock sale will be added to capital and surplus and invested in accordance with the company's investment policies. The company has outstanding 1,538,369 shares of common stock, of which management officials as a group own 13.1%. Henry A. Bubb is board chairman and Max H. Karl is president.

**UTAH POWER & LIGHT PROPOSES BOND OFFERING.** Utah Power & Light Company, 1407 West North Temple Street, Salt Lake City, filed a registration statement (File 2-21141) with the SEC on March 11 seeking registration of \$15,000,000 of first mortgage bonds due 1993, to be offered for public sale at competitive bidding. The net proceeds from the bond sale will be used to redeem (at 106.24%) \$15,000,000 of 5 $\frac{1}{4}$ % first mortgage bonds due 1987.

**CROWELL-COLLIER PUBLISHING PROPOSES DEBENTURE RIGHTS OFFERING.** The Crowell-Collier Publishing Company, 640 Fifth Avenue, New York, filed a registration statement (File 2-21142) with the SEC on March 11 seeking registration of \$5,500,000 of convertible subordinated debentures due 1983. It is proposed to offer such debentures for subscription at 100% of principal amount by common stockholders at the rate of \$100 of debentures for each 60 shares held. Unsubscribed debentures are to be offered for public sale through underwriters headed by Carl M. Loeb, Rhoades & Co., 42 Wall St., New York. The record date, interest rate, and underwriting terms are to be supplied by amendment.

The company is principally engaged in the publication and sale of subscription books, elementary, high school and college text books and related educational material, trade and technical books, and in the operation of a home study, and radio broadcasting. The net proceeds from the debenture sale will initially be added to working capital to be used for the company's business and may be used thereafter, in part, to reduce short-term bank borrowings. In addition to certain indebtedness, the company has outstanding 3,256,552 shares of common stock, of which management officials as a group own 5.9%. W. D. Cole is board chairman and Raymond C. Hagel is president.

**CABOT FILES FOR SECONDARY.** Cabot Corporation, 125 High St., Boston, filed a registration statement (File 2-21136) with the SEC seeking registration of 295,140 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Carl M. Loeb, Rhoades & Co., 42 Wall St., and White, Weld & Co., Inc., 20 Broad St., both of New York. The public offering price (maximum \$42 per share\*) and underwriting terms are to be supplied by amendment. 1. on March 11.

The company's business includes manufacturing carbon black for use principally as a reinforcing agent in rubber; producing natural gas, condensate and crude oil; operating gas products plants; manufacturing oil field pumping equipment, mobile well servicing and workover equipment and military gun tubes; operating a natural gas utility in West Virginia; manufacturing other materials for use in the rubber, paint, ceramic and plastic industries; and conducting research for new product development outside the carbon black field. In addition to certain indebtedness, the company has outstanding 2,573,837 shares of common stock, of which Thomas D. Cabot, board chairman, and Louis W. Cabot, president, own 6.40% and 2.32%, respectively, and management officials as a group 19.92%. They are also trustees of a charitable trust which owns 150,000 shares and Louis W. Cabot holds an additional 119,570 shares as co-trustee with others. Descendants of the company's founder and their families own beneficially a total of 72.45% of the company's outstanding stock. The prospectus lists 7 selling stockholders owning an aggregate of 447,630 shares, including the trustees of a trust created by the founder who propose to sell all of 208,140 shares held in the trust. In addition, Norwich University proposes to sell 50,000 of 105,000 shares owned, and others propose to sell amounts ranging from 4,000 to 15,000 shares.

**CAPITAL EXPENDITURES UP.** The SEC and Department of Commerce announce (for March 13th Newspapers) that business expenditures on new plant and equipment in 1963 are expected to amount to a record \$39.1 billion. This is 5 percent above the \$37.3 billion actually spent last year. For further details, see Statistical Series Release 1886.

**SOCONY MOBIL OIL PROPOSES DEBENTURE OFFERING.** Socony Mobil Oil Company, Inc., 150 East 42nd St., New York, today filed a registration statement (File 2-21145) with the SEC seeking registration of \$200,000,000 of debentures due 1993, to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company conducts an integrated business in the production, transportation, refining and marketing of petroleum and its products, including petrochemicals, in the United States and various foreign countries. The net proceeds from the debenture sale will be added to general funds and will be used for general corporate purposes, including future expenditures for exploration and development of oil and gas properties, for property additions, and for investments in other companies. For 1963 the company's capital program for the acquisition and replacement of properties, plants, and equipment and for the search for oil and gas reserves is estimated at \$500,000,000. In addition to certain indebtedness, the company has outstanding 48,798,781 shares of capital stock. Albert L. Nickerson is board chairman and Herbert Willetts is president.

**AMERICAN MANUFACTURING EXEMPTED.** The SEC today announced the issuance of a decision under the Investment Company Act (Rel. IC-3649) finding that the primary business of American Manufacturing Company, Inc., of Brooklyn, N. Y., is not that of investing, reinvesting, owning, holding, or trading in securities but consists of the manufacturing businesses in which it is engaged directly, through its wholly-owned subsidiaries, and through its controlled companies, Mergenthaler Linotype Company (32% owned) and the subsidiaries of Mergenthaler. Accordingly, the Commission has issued an order declaring that American is not an investment company under the standards of Section 3(b)(2) of the Act. In its decision, the Commission found that American controls and is engaged in the business of Mergenthaler and the latter's subsidiaries, its investment therein constituting 53% of its total assets as of June 30, 1962. This investment, together with the assets devoted to its own manufacturing operations and those of its wholly-owned subsidiaries, constituted 76% of its total assets, and American's consolidated net income (before taxes) for the six months ended June 30, 1962, as adjusted to include American's equity in the undistributed consolidated net income of Mergenthaler and its subsidiaries (other than The Electric Autolite Company, 53% owned by Mergenthaler) was about \$1,646,000. About 46% of the income was represented by American's equity in the consolidated net income of Mergenthaler, and 31% by the profit from American's own manufacturing operations and those of its wholly-owned subsidiaries, for an aggregate of 77% of American's total income.

**SECURITIES ACT REGISTRATIONS.** Effective March 12: Atlanta Gas Light Company (File 2-21052), The Mead Corporation (File 2-21036) and Republic of Finland (File 2-21096).

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