

# 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 April 12, 1965

**HUDSON SYNDICATIONS WITHDRAWAL PERMITTED.** The SEC today announced a decision under the Securities Exchange Act (Release 34-7570) discontinuing proceedings against Hudson Syndications, Inc., 80 William St., New York, and its president, Ted Kleinman, based upon an offer of settlement. The proceedings were based upon a charge that the company had failed to file a report of financial condition for 1963. In its offer of settlement, the firm stated that it is no longer engaged in the securities business and is not indebted to any of its former customers; and it requested withdrawal of its broker-dealer registration. Kleinman, without admitting or denying the charge, consented to the entry of an order restricting his future association with a broker-dealer except with the Commission's approval. The Commission accepted the offer, permitted withdrawal of the firm's registration, and barred Kleinman from any future association with a broker or dealer without the Commission's consent.

**SECOND OHIO CAPITAL FUND RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4219) granting an application of Second Ohio Capital Fund, Inc., of Columbus, Ohio, for exemption from the minimum net capital requirements of Section 14(a) thereof. The Fund proposes to exchange 1,000,000 shares of common stock for certain securities held by investors who may accept the exchange offer.

**DOTSON PLEADS GUILTY.** The SEC Fort Worth Regional Office announced April 7 (LR-3187) that Leighton G. Dotson entered a plea of guilty (USDC Dallas) to one count of an 18-count indictment charging violations of the mail fraud statute in the sale of investment contracts and certificates of participation in profit-sharing agreements in a cattle business operated throughout Texas. Sentencing deferred. Defendants Raymond Earl Ellis and J. A. Windham, principal salesmen for Tenn-Tex Land & Cattle Co., were found not guilty.

**DONNELLEY & SONS FILES FOR SECONDARY.** R. R. Donnelley & Sons Company, 2223 S. Park Way, Chicago 60616, filed a registration statement (File 2-23447) with the SEC on April 9 seeking registration of 310,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through underwriters headed by Harriman Ripley & Co., Inc., 60 Broad St., New York 10004. The public offering price (\$41 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in commercial printing. In addition to indebtedness, it has outstanding 12,856,997, of which management officials own 22.1%. The prospectus lists ten selling stockholders, including The Northern Trust Co., as trustee under agreement with Thomas E. Donnelley for the benefit of Clarissa Donnelley Haffner, 60,000 of 154,709 shares held; Clarissa Donnelley Haffner, 100,000 of 817,018, and Elliott Donnelley, vice board chairman, 50,000 of 1,001,785. The remaining selling stockholders are offering shares ranging in amounts from 5,000 to 20,000. Gaylord Donnelley is board chairman and Charles W. Lake, Jr., is president.

**WILLIAM BURNS DETECTIVE AGENCY FILES FOR SECONDARY.** The William J. Burns International Detective Agency, Inc., 235 E. 42nd St., New York 10017, filed a registration statement (File 2-23448) with the SEC on April 9 seeking registration of 70,000 outstanding shares of Class A common stock. The shares are to be offered for public sale by the present holders thereof through Smith, Barney & Co. Inc., 20 Broad St., New York 10005. The public offering price (\$30 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company furnishes protective services to industrial and commercial clients, principally by means of uniformed guards. It has outstanding 628,868 Class A and 62,995 Class B common shares, of which management officials own 23.9% and 55.3%, respectively. The prospectus lists 14 selling stockholders, including W. Sherman Burns, board chairman, offering 8,507 of 37,090 Class A shares held; William J. Burns, executive vice president, 8,858 of 45,122; and Dorothy A. Burns, 7,314 of 37,258. The remaining selling stockholders are offering shares ranging in amounts from 2,365 to 6,099. D. Bruce Burns is president.

**INTER-ISLAND RESORTS PROPOSES RIGHTS OFFERING.** Inter-Island Resorts, Ltd., 307 Lewers St., Honolulu, Hawaii, filed a registration statement (File 2-23449) with the SEC on April 9 seeking registration of 212,072 shares of common stock, to be offered for subscription by stockholders at the rate of one new share for each three common shares held on May 4, 1965. The subscription price (\$6.50 per share maximum\*) is to be supplied by amendment. Unsubscribed shares are to be offered first to company employees and then to the general public. Company officials and certain employees will act as selling agents for the offering.

The company is engaged primarily in the tourist business in the State of Hawaii. It presently owns and operates two hotels and operates a third hotel on leasehold property. Net proceeds from its stock sale will be applied to the repayment of interim financing for improving and expanding the company's hotels; for furnishing, equipping and operating a new hotel to be leased; and for purchasing an interest in a hotel to be constructed on Waikiki Beach. In addition to indebtedness, the company has outstanding 636,216 common shares, of which management officials own 60.9%. W. D. Child is board chairman and W. D. Child, Jr., is president.

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**ALLIS-CHALMERS FILES FINANCING PROPOSAL.** Allis-Chalmers Manufacturing Company, 1205 S. 70th St., West Allis, Wisc. 53214, filed a registration statement (File 2-23450) with the SEC on April 9 seeking registration of \$45,000,000 of sinking fund debentures, due 1990, and 300,000 shares of cumulative convertible preferred stock. The securities are to be offered for public sale through underwriters headed by Blyth & Co., Inc., 14 Wall St., New York 10005. The interest and dividend rates, public offering prices (\$102 per share maximum for the preferred stock\*), and underwriting terms are to be supplied by amendment. The prospectus states that the purchase of the debentures by the underwriters is contingent upon the sale of the stock.

The company produces agricultural and construction machinery and industrial and electrical machinery and equipment. Net proceeds from this financing will be applied toward the repayment of short-term bank indebtedness, which amounted to \$90,000,000 on March 31, 1965. In addition to indebtedness and preferred stock, the company has outstanding 9,005,763 common shares. R. S. Stevenson is chairman and W. G. Schell is president.

**INLAND STEEL FILES STOCK PLAN.** Inland Steel Company, 30 W. Monroe St., Chicago, Ill., 60603, filed a registration statement (File 2-23451) with the SEC on April 9 seeking registration of 500,000 shares of capital stock, to be offered pursuant to its 1965 Executive Stock Option Plan.

**NATIONAL LEAD FILES STOCK PLAN.** National Lead Company, 111 Broadway, New York 10006, filed a registration statement (File 2-23452) with the SEC on April 9 seeking registration of 186,115 shares of common stock, to be offered under the company's Stock Option Incentive Plan.

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended April 8, 1965, 37 registration statements were filed, 33 became effective, 1 was withdrawn, and 363 were pending at the week-end.

**SECURITIES ACT REGISTRATIONS. Effective April 9:** National Life Insurance Co. of Florida, 2-23196 (Jul 9); United States Steel Corp. (File 2-23381).  
**Effective April 12:** Second Ohio Capital Fund, Inc. (File 2-23160); Florida Power Corp. (File 2-23290).

**NOTE TO DEALERS.** The last date or the period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

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

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