

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Brief summary of financial proposals filed with and actions by the S.E.C.

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INSIDER TRADING RULE MODIFICATION PROPOSED. The SEC has published for comment, proposed amendments to its Rules 16b-8 and 16b-9 under Section 16(b) of the Securities Exchange Act. Comments are due not later than December 20, 1965. Section 16(b) permits the recovery by or on behalf of issuing companies, of profits realized by officers, directors and holders of more than 10% of any class of its outstanding equity securities, by reason of short-swing trading in such securities. The proposed amendment to Rule 16b-8 would exempt from the operation of Section 16(b) the acquisition and disposition of equity securities involved in the deposit or withdrawal of equity securities under a voting trust or deposit agreement; and the proposed amendment to Rule 16b-9 would provide a similar exemption with respect to the acquisition and disposition of equity securities involved in the conversion of a convertible security.

COLUMBIA GAS SYSTEM SEEKS ORDER. The Columbia Gas System, Inc., New York registered holding company, and 15 of its wholly-owned subsidiaries have applied to the SEC for an order under the Holding Company Act authorizing the continuation during 1966 of open-account advances by Columbia to the subsidiaries; and the Commission has issued an order (Release 35-15350) giving interested persons until December 13 to request a hearing thereon. The application proposes that the subsidiaries will prepay with excess cash, from time to time prior to the end of 1966, a portion of their outstanding installment promissory notes (aggregating a maximum of \$147,200,000) held by Columbia. As any of such subsidiaries require funds for construction and other corporate purposes after prepayment, it is proposed that advances will be made to them on open account by Columbia, provided that at no time will the amount of such advances to any subsidiary exceed the amount of notes theretofore prepaid by it, less any current maturities applicable to such notes which would have matured subsequent to the date of prepayment.

SCUDDER, STEVENS & CLARK SEEKS ORDER. Scudder, Stevens & Clark Common Stock Fund, Inc., Boston, Mass., open-end diversified investment company, has applied to the SEC for an exemption order under the Investment Company Act authorizing it to issue its shares at other than the public offering price in exchange for substantially all of the assets of Piermont Corp.; and the Commission has issued an order (Release IC-4411) giving interested persons until December 2 to request a hearing thereon. According to the application, the shares of applicant will be exchanged at their net asset value for Piermont's assets, approximating \$2,469,000.

DELISTING GRANTED. The SEC has issued an order under the Securities Exchange Act (Release 34-7754) granting an application of the American Stock Exchange to strike from listing and registration the Class B common stock of Signal Oil & Gas Co., effective at the opening of business on November 22. According to the application, the company failed to meet the standards of the Exchange with respect to the public distribution of its Class B common shares.

INVESTMENT PROPERTY BUILDERS SEEKS ORDER. The SEC has issued an order under the Securities Exchange Act (Release 34-7754) giving interested persons until December 2 to request a hearing upon an application of the Investment Property Builders, Inc., to withdraw its common stock from listing and registration on the American Stock Exchange. According to the application, the company has operated at a loss for the past four years. During 1964 it was notified by the Exchange that under the policies of the Exchange the company was a candidate for possible delisting.

RIKER DELAWARE FILES FINANCING PROPOSAL. Riker Delaware Corporation, Levitt Parkway, Willingboro, N. J., filed a registration statement (File 2-24231) with the SEC on November 16 seeking registration of 6.95% convertible subordinated sinking fund debentures (due 1986) and shares of Class A common stock, to be offered for public sale in units. The amount of securities being registered (\$2,100,000 maximum*), as well as the securities to be offered in each unit, is to be supplied by amendment. The offering is to be made through an underwriting group headed by Arnold, Wilkens & Co. Inc., 50 Broadway, N. Y., which will receive a 10% commission. The company has agreed to pay the underwriters an expense allowance not to exceed \$30,000 and to issue the principal underwriter a maximum of 25,000 warrants for the purchase of Class A common stock.

Organized under Delaware law in 1962, the company's principal business is the ownership of developed real estate held for rental income or resale, the development and sale of lots, the sales finance business, and the operation of a limited life, accident and health insurance company. Net proceeds of this financing will be used for the repayment of short-term loans, the proceeds of which were used by the company for the acquisition of real properties and the assets and shares of certain finance companies. In addition to indebtedness and preferred stock, the company has outstanding 250,915 Class A and 243,921 Class B common shares, of which management officials own 18.1% and 74%, respectively. Roy Riker, president, and members of his family and companies affiliated with him own 13.8% of the outstanding Class A common stock and 97.3% of the Class B common.

OVER

GENESCO FILES FOR SECONDARY. Genesco Inc., 111 Seventh Ave., North, Nashville, Tenn. 37202, filed a registration statement (File 2-24232) with the SEC on November 17 seeking registration of 48,734 outstanding shares of common stock, to be offered for public sale by the present holders thereof. Blyth & Co., Inc., 14 Wall St., New York 10005, is listed as the underwriter. The public offering price (\$58 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the manufacture of shoes and apparel. In addition to indebtedness and preferred stock, it has outstanding 4,926,218 common shares, of which management officials own 7.94%. The prospectus lists 11 selling stockholders, including Emery E. Klineman, offering 10,000 of 29,983 shares held; Erwin L. Klineman, 10,000 of 33,312; and Abraham J. Baum and Bernard Chaus, each offering 7,695 of his holdings of 15,390. W. Maxey Jarman is board chairman and Ben H. Willingham is president.

SCOTT PAPER FILES STOCK PLANS. Scott Paper Company, Philadelphia, Pa. 19113, filed a registration statement (File 2-24233) with the SEC on November 17 seeking registration of 13,800 memberships in its Employees' Stock Purchase Plan for 1966 and 148,700 shares of common stock which may be acquired pursuant thereto. The company is also seeking registration of 13,800 memberships in its Employees' Stock Investment Program--1966 Class, together with 148,996 common shares which may be acquired thereunder.

MISSISSIPPI POWER FILES FINANCING PROPOSAL. Mississippi Power & Light Company, P. O. Box 1640, Jackson, Miss. 39205, filed a registration statement (File 2-24234) with the SEC on November 17 seeking registration of \$25,000,000 of first mortgage bonds, due 1996, and 100,000 shares of cumulative preferred stock. The securities are to be offered for public sale at competitive bidding. Net proceeds of this financing (together with \$4,000,000 to be derived from a sale of common stock to the company's parent, Middle South Utilities, Inc. and other funds) will be used for the repayment of short-term bank borrowings made for construction purposes, for the company's 1966 construction program (estimated at \$49,000,000), and for other corporate purposes.

MINNESOTA SMALL BUSINESS INVESTMENT SEEKS ORDER. Minnesota Small Business Investment Company, Minneapolis, Minn., closed-end non-diversified investment company, has applied to the SEC for an order under the Investment Company Act permitting Charles E. Carlson, Loyal C. Simensen, A. T. Leonard, Burton W. Beidelman, Raymond C. Schweigert and Obert M. Udem ("affiliated persons" of the investment company) to make sales from time to time of common stock of Minneapolis Scientific Controls Corp. ("Minneapolis"), subject to certain conditions. The Commission has issued an order (Release IC-4409) giving interested persons until December 6 to request a hearing thereon. According to the application, the company owns a 7% debenture of American Monarch Corporation ("Monarch") in the principal amount of \$200,000, which debenture has been assumed by Minneapolis, the successor corporation to Monarch. Applicant also owns warrants for the purchase of 50,000 shares of Minneapolis common stock at \$1.35 per share. The said affiliated individuals own in the aggregate 15,655 or 1.1% of the outstanding shares of common stock of Minneapolis.

CUSTER, CUSTER CHANNEL WING GUILTY. The SEC Washington Regional Office announced November 12 (LR-3369) that Willard R. Custer and Custer Channel Wing Corporation were found guilty on November 12 of criminal contempt of a prior federal court order (USDC Md.) enjoining their sale of the Corporation's stock in violation of the Securities Act registration requirement. Custer was sentenced to 183 days' imprisonment and the Corporation was fined \$5,000; costs were assessed against both.

ALFRED LAURENCE ENJOINED. The SEC New York Regional Office announced November 15 (LR-3370) the entry of a Federal court order (USDC, SDNY) permanently enjoining Alfred Laurence, a/k/a Alfred Parker, from further violating the anti-fraud provisions of the Securities Exchange Act in the sale of securities of VTR, Inc. Laurence consented to the entry of the decree.

SECURITIES ACT REGISTRATIONS. Effective November 17: Ford Motor Co., 2-24208; Winn-Dixie Stores, Inc., 2-24177. Effective November 18: Summit Life Insurance Co., 2-23812 (90 days); Province of Quebec, 2-24166 (40 days). Withdrawn November 17: Von's Grocery Co., 2-23697.

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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