

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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ALLIANCE TIRE FILES FOR OFFERING

Alliance Tire and Rubber Company Limited, Hadera, Israel, filed a registration statement (File 2-15566) with the SEC on September 9, 1959, seeking registration of 100,000 shares of Class A Stock. The stock is to be offered for public sale at \$12.60 per share; and the subscription price may be paid either in cash or by transferring to the company certain Bonds issued by the State of Israel. The agent for the sale of the shares is Harry E. Brager Associates, which will receive a selling commission of \$.633 per share.

Alliance Tire is said to be one of the two producers in Israel of tires and inner tubes for use on automobiles, buses, trucks, farm tractors and agricultural implements. It was conceived as an Israeli-American joint venture, with one-half of its original capital being contributed by certain subsidiaries and affiliates of The General Confederation of Jewish Labor in Israel; and voting control has been shared by the two groups. With the exception of five shareholders in Mexico, all outstanding Class A shares are held by persons in the United States; and all outstanding Class B shares are held by two Israeli companies.

The company now has outstanding 161,215 shares of Class A stock and 149,600 shares of Class B stock. In addition to the public sale of the 100,000 shares of Class A stock, the company proposes to sell 100,000 Class B shares at \$12.60 per share to "Koor" Industries and Crafts Company, Ltd., and Noa Company, Ltd., subsidiaries of the Confederation and owners in equal amounts of the outstanding Class B stock. The company is said to be engaged in an expansion program to increase plant production capacity and to establish a Plastics Division, starting with a pilot plant for the production of polyurethane plastics. The net proceeds of the sale of the additional Class A and Class B stock will be applied to this program.

BIOCHEMICAL PROCEDURES PROPOSES STOCK OFFERING

Biochemical Procedures, Inc., 12020 Chandler Blvd., Los Angeles, filed a registration statement (File 2-15567) with the SEC on September 9, 1959, seeking registration of 100,000 shares of its common stock, to be offered for public sale through Shields & Company. The public offering price and underwriting terms are to be supplied by amendment. Two of the present stockholders have agreed to sell the underwriter options to purchase an aggregate of 25,000 outstanding shares, the options to be sold at a price of 25¢ per optioned share and being exercisable at the public offering price of the company's offering.

The company was organized under Delaware law in July 1959 and acquired in September 1959 all the outstanding stocks of seven California corporations in exchange for shares of its own stock (one such company was dissolved and its assets acquired by the company). The company operates a national medical reference laboratory in Los Angeles and six clinical laboratories in hospitals in the Los Angeles area. Both have as their chief function the testing of body fluids, the analyses being performed to aid physicians in the diagnosis of disease and for related purposes. The company now has outstanding 160,000 common shares in addition to certain indebtedness, of which S. Louis Gaines, president, and Victor Aleck, vice-president and treasurer, own 78,159 and 78,158 shares, respectively (48.8% each).

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For further details, call ST. 3-7600, ext. 6526

The company has contracted to acquire for \$50,000 cash, all the issued and outstanding stock of Uni-Tech Chemical Mfg. Co., which formulates and manufactures a line of chemical laboratory reagents, standards, stains and solutions. Upon such acquisition, it will enter into a seven year employment contract with Jerome Gaines, that company's president and present owner. Part of the proceeds of the stock sale will be used for such payment. An additional \$80,000 will be used to acquire additional laboratory leases (including equipment) in two hospitals; \$52,000 will be used to acquire additional laboratory and mailing equipment; \$27,777 to pay part of the purchase price of land and building currently occupied and an adjoining lot; \$40,000 to prepay certain indebtedness; and the balance for working capital.

NORTHERN PROPERTIES PROPOSES STOCK OFFERING

Northern Properties, Inc., Hartsdale, N. Y., filed a registration statement (File 2-15568) with the SEC on September 9, 1959, seeking registration of 150,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts basis by Alkow & Co., Inc., for which a 75¢ per share commission is to be paid. If the underwriter sells at least 115,000 shares within 21 days after the effective date of the registration statement, it will be entitled to receive six-year options to purchase 6,250 shares with additional options for 3,125 shares each upon sale of 132,500 and 150,000 shares respectively at prices commencing at \$5.50 per share, and to receive \$12,500 for expenses.

The company was organized in April 1959 to engage in suburban real estate development; and it intends to act primarily as a community developer of unimproved acreage in New York City suburban areas. Although it has acquired or is under contract to acquire about 634 acres of vacant, unimproved land in Westchester, Putnam and Dutchess Counties, N. Y., it has not yet commenced substantial operations. Its function will be to develop such acreage to the point at which home-builders and builders of commercial improvements can purchase parcels of property from the company in fully developed condition and proceed directly to home and commercial construction. Of the net proceeds of the stock sale, \$170,000 will be applied to the cash required to close title to the Baldwin Property in Putnam County at the Westchester border; \$50,574 will be applied to meet mortgage installments of principal and \$29,387 will be applied to interest during the first year of operations. Part of the proceeds also will be used to pay carrying charges, including taxes for its various properties, which are estimated at \$9,200.

The company now has outstanding 63,689 common shares (and options for the purchase of 162,500 by company officials). John E. Marqusee is listed as president. Directors and officers own 43,042 shares (67.7%) of the outstanding stock. Part of the outstanding stock was issued in exchange for properties.

AMERICAN ELECTRIC POWER PROPOSES STOCK OFFERING

American Electric Power Company, Inc., 30 Church St., New York, filed a registration statement (File 2-15569) with the SEC on September 9, 1959, seeking registration of 1,200,000 shares of common stock, to be offered for public sale at competitive bidding.

The company proposes to apply the proceeds of the stock sale, to the extent available, to the payment at or prior to maturity of \$52,000,000 of outstanding bank notes, due November 25, 1959, and to the prepayment of short-term bank loans, any remaining balance to be added to treasury funds and used for general corporate purposes. The indebtedness to banks was incurred since November 25, 1957 during which period the company made cash capital contributions to its subsidiaries aggregating \$59,250,000 in furtherance of their construction programs. Gross expenditures by subsidiaries for construction during the six months ended June 30, 1959, amounted to about \$64,000,000; and such expenditures are expected to approximate \$120,000,000 for the full year 1959 and \$100,000,000 for 1960.

CAPITAL ADJUSTMENT PROPOSED BY MISSISSIPPI POWER

Mississippi Power & Light Company, Jackson, Miss., has applied to the SEC for an order permitting the transfer of \$2,850,000 from its earned surplus to its common capital stock account; and the Commission has issued an order (Release 35-14052) giving interested persons until September 25, 1959, to request a hearing thereon.

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At June 30, 1959, Mississippi Power's earned surplus amounted to \$7,267,862. During the twelve months ended that date dividends charged to earned surplus aggregated \$3,542,410 (\$464,410 on outstanding preferred and \$3,078,000 on outstanding common). The proposed transfer will increase the capital stock account represented by 2,850,000 shares of outstanding common stock from \$34,200,000 to \$37,050,000.

GEORGIA POWER BOND FINANCING APPROVED

Georgia Power Company, Atlanta, Ga., has received SEC authorization (Release 35-14053) to issue and sell at competitive bidding \$18,000,000 of First Mortgage Bonds, Series due September 1, 1989. Net proceeds will be applied to the company's construction program, estimated at \$49,511,000 for the year 1959.

HEARING SCHEDULED IN BRUNS NORDENMAN PROCEEDINGS

The SEC has scheduled a hearing for October 19, 1959, in its New York Regional Office, in the proceedings under the Securities Exchange Act of 1934 to determine whether the Federal Securities Laws have been violated by Bruns, Nordeman & Company, 52 Wall St., New York, and, if so, whether its broker-dealer registration should be revoked and/or whether it should be suspended from membership in certain national securities exchanges or the securities dealers association.

In its order of August 25, 1959, authorizing the proceedings (Release 34-6050), the Commission charged that, in connection with its purchase and sale of the common stock of Gob Shops of America, Inc., Bruns, Nordeman & Company violated the anti-fraud and anti-manipulative provisions of the laws and "engaged in acts, practices and a course of business which operated as a fraud and deceit upon certain persons."

At the October 19th hearing, inquiry will be conducted into the foregoing and related matters for the purpose of determining whether the laws and Commission rules thereunder were violated.

HEARING IN CONSOLIDATED PROCEEDINGS POSTPONED

The SEC today announced a two-day postponement, from September 28 to September 30, 1959, of the hearing in the proceedings under the Securities Exchange Act to determine whether provisions of the Federal Securities Laws were violated by the following St. Louis firms and individuals in connection with their transactions in the common stock of Managed Funds, Inc.; Mutual Fund Distributors, Inc., T.C.A. Associates, Inc. (formerly Slayton & Company, Inc.), Hilton H. Slayton, and Hovey E. Slayton.

CHANNING SERVICE SHARES IN REGISTRATION

Channing Service Corporation, New York investment company, filed an amendment on September 9, 1959, to its registration statement (File 2-13852) seeking registration of an additional \$40,000,000 of Investment Programs for the accumulation of shares of Institutional Growth Fund.

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