

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

Washington 25, D.C.

(In ordering full text of Releases from Publications Unit, cite number)

FOR RELEASE October 26, 1959

Statistical Release No. 1638

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended October 23, 1959, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1959, is as follows:

	1939= 100		Percent Change	1959	
	10/23/59	10/16/59		High	Low
Composite	412.4	418.2	-1.4	441.3	400.1
Manufacturing	511.5	518.9	-1.4	554.2	490.7
Durable Goods	493.0	502.5	-1.9	527.7	457.8
Non-Durable Goods	518.6	524.0	-1.0	570.1	510.5
Transportation	337.3	344.2	-2.0	371.5	324.8
Utility	212.5	214.4	-0.9	231.8	207.1
Trade, Finance & Service	424.0	431.9	-1.8	433.0	382.7
Mining	289.7	293.8	-1.4	360.4	289.5

DUNLOOKIN MINING STOCK OFFERING SUSPENDED

The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by Dunlookin Mining Co., Inc., of Las Vegas, Nevada, by reason of the failure of the company to file a final report of stock sales as required by the Regulation.

Regulation A provides a conditional exemption from registration for public offerings of securities not exceeding \$300,000 in amount. In a notification filed in May 1956, Dunlookin Mining proposed the public offering of 40,000 common shares at \$5 per share.

A hearing will be held, upon request, on the question whether the suspension order should be vacated or made permanent.

FRAUD CHARGED TO H. PERRY & CO. IN SALE OF HARATINE GAS STOCK

The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether the registration and anti-fraud provisions of the Federal securities laws were violated by Herbert Perry & Co., Inc., 70 Wall St., New York, in the offering and sale of common stock of The Haratine Gas and Oil Company, Inc.

According to the Commission's order, Perry & Co. has been registered as a broker-dealer since August 7, 1958. During the period July 8 to November 7, 1958, Herbert P. Perry was president, a director and 49% stockholder. The Commission's order further asserts that information developed in an investigation conducted by its staff tends, if true, to show that during the period August 5, to October 29, 1958, Perry & Co. and Perry offered and sold Haratine stock in violation of the Securities Act registration requirement and by means of false and misleading representations "which operated as a fraud and deceit upon purchasers" of the stock. These misrepresentations related, among other things, to the market price of the stock and to the properties of Haratine.

OVER

For further details, call ST. 3-7600, ext. 5526

A hearing will be held at a time and place later to be announced to determine whether the laws were violated in the respects indicated and, if so, whether the broker-dealer registration of Perry & Co. should be revoked and/or whether it should be suspended or expelled from membership in the National Association of Securities Dealers, Inc.

WORLD PUBLISHING FILES FOR COMMON STOCK OFFERING

The World Publishing Company, 2231 West 110th St., Cleveland, O., filed a registration statement (File 2-15764) with the SEC on October 23, 1959, seeking registration of 100,000 shares of common stock to be offered for public sale through underwriters headed by Joseph, Mellen & Miller, Inc. The offering price and underwriting terms are to be supplied by amendment.

In addition to \$534,000 of first mortgage bonds, the company now has 468,819 shares of common stock outstanding. Proceeds from the sale of the additional shares are to be used to purchase a new press (approx. \$500,000), to acquire additional plant facilities, and for working capital.

Of the outstanding stock, 180,036 shares (38.4%) are owned by management officials, including Alfred Cahen, board chairman (80,475 shares) and Ben D. Zevin, president (65,679).

HOUSATONIC PUBLIC SERVICE FILES FOR RIGHTS OFFERING

The Housatonic Public Service Company, 33 Elizabeth St., Derby, Conn., filed a registration statement (File 2-15765) with the SEC on October 23, 1959, seeking registration of 76,642 shares of common stock. The company proposes to offer this stock for subscription by common stockholders at the rate of one new share for each five shares held. The record date, subscription price and underwriting terms are to be supplied by amendment. Allen & Company and Bacon, Whipple & Company head the list of underwriters.

Of the net proceeds of the stock sale, \$1,175,000 will be used by the company to pay short term bank loans incurred in connection with its construction program; and the balance will be used for additional construction expenditures. The company estimates its construction program for 1959 and 1960 at \$4,418,000.

GRAYSON & CO. CONSOLIDATED HEARING ORDERED

The SEC has ordered a consolidated hearing, to be held November 9, 1959, in its New York Regional Office, in proceedings under the Securities Exchange Act of 1934 to determine whether the broker-dealer registrations of the following should be revoked:

A. J. Grayson & Co., Incorporated (New York)
92 Liberty Street, New York, N. Y.

A. J. Grayson & Co. of New Jersey, Inc.
15 Washington Street, Newark, N. J.

A. J. Grayson & Co. of Maryland, Inc.
607-11 Court Square Building, Baltimore, Md.

According to the Commission's orders, the New York company and Albert J. Grayson, president, director and controlling stockholder of each of the three companies, were permanently enjoined by an April 23, 1958, decree of the U. S. District Court for the Southern District of New York, from further violations of Section 5 (the registration requirement) of the Securities Act of 1933 in connection with the offer and sale of Micro-Moisture Controls, Inc., stock. The said court decree has been affirmed upon appeal. The unlawful sales of Micro-Moisture stock occurred during the period September 1956 to January 1957.

UNITED MARINE FILES FINANCING PROPOSAL

United Marine, Inc., River St., Millville, N. J., filed a registration statement (File 2-15766) with the SEC on October 23, 1959, seeking registration of \$1,250,000 of 6% Sinking Fund Debentures due 1974 with warrants to purchase 100 shares of common stock per \$1,000 of debentures, and 125,000 additional shares of common stock. The securities are to be offered for public sale in units, each consisting of 100 common shares and \$1,000 of debentures (with warrants to purchase 100 common shares). The offering is to be made at \$1,125 per unit through an underwriting group headed by Boenning & Co., which will receive a commission of \$126.40 per unit.

CONTINUED

The company was organized in April 1959 to acquire the plants and assets of Richardson Boat Co., Inc., and Colonial Boat Works, Inc., which properties are to be transferred to United Marine for a consideration of \$1,150,400. Richardson produces large pleasure boats with inboard engines at North Tonawanda, N. Y.; and Colonial produces pleasure boats at Millville, N. J., substantially similar in size and cost to those of Richardson but of a different basic design. The new company will own the assets of these companies and will assume substantially all their liabilities.

United has issued 125,000 common shares for \$250,000 in cash. It has used \$228,000 to make payments under the purchase contract. The balance of this cash and about \$950,000 of the net proceeds of the units are to be used to complete the payments under the contract and the expenses of its negotiation. About \$65,270 of the proceeds will be used to pay Colonial's indebtedness to Francis L. Hine, the owner of its stock and a promoter and director of the new company. Hine intends to exercise his option to subscribe to 30,000 common shares of United Marine for \$60,000 which, together with the \$190,000 remainder of the net proceeds of the sale of units, will be used to expand the production capacity of the new company. Most of this money is to be used to erect a new plant at Millville.

The new company has outstanding 125,000 common shares and the option held by Hine to acquire 30,000 shares at \$2 per share. The prospectus lists Leonard E. Matthies as president and Leon E. Travis as vice president. They own 90.6% of the stock of Richardson; and they and Hine own all the interests in Colonial and its plant. Matthies and Travis have acquired an option to purchase from Hine (a) 80% of the stock of Colonial, (b) the land used by Colonial owned by Hine, and (c) Hine's option to purchase another portion of the land on which the plant is located. The new company will purchase all such land and all the assets of the two selling companies and assume all their liabilities for the \$1,150,400 cash consideration. Of this, Matthies and Travis will receive \$476,000 and \$466,000, respectively, and Hine will receive \$98,400 and repayment of his \$65,269 loan. Principal owners of the 125,000 outstanding shares of the new company are F. Slade Dale, of Bay Head, N. J. (57,000 shares) and Norman J. Shea, Jr., of Uwchland, Pa. (57,000 shares), both of whom are directors.

ARKANSAS POWER FILES FOR BOND OFFERING

Arkansas Power & Light Company, Ninth and Louisiana Sts., Little Rock, Ark., filed a registration statement (File 2-15767) with the SEC on October 23, 1959, seeking registration of \$15,000,000 of First Mortgage Bonds, Series due 1989, to be offered for public sale at competitive bidding. Net proceeds will be used for the company's construction program and other corporate purposes. The company estimates its 1959 construction expenditures at \$32,300,000, of which \$22,400,000 had been expended by September 30th. Construction expenditures in 1960 are estimated at \$36,000,000.

TRANS-WORLD FINANCIAL FILES FOR OFFERING AND SECONDARY

Trans-World Financial Co., 8001 Beverly Boulevard, Los Angeles, today filed a registration statement (File 2-15768) with the SEC seeking registration of 655,000 shares of common stock. Of this stock, 420,000 shares are to be offered for public sale for the account of the issuing company and the 225,000-share balance, representing outstanding stock, by the present holders thereof. William R. Staats & Co. is listed as the principal underwriter; and the public offering price and underwriting terms are to be supplied by amendment. Staats & Co. has acquired 10,000 shares for \$20,000 in cash, for investment.

Trans-World was organized under Delaware law in May 1959. Its principal business consists of owning the stocks of World Savings and Loan Association, of Lynwood, Calif., Euclid Savings and Loan Association, of San Bernardino County, Calif., and Centennial State Associates, Inc., which owns all the outstanding stock of Guardian Savings and Loan Association of Denver, Colo. Trans-World also expects to operate, either directly or through subsidiaries, one or more insurance agencies which will assist the Associations in making fire and other insurance available to borrowers, and a company or companies which may act as trustee under trust deeds securing loans by the Associations. It may also acquire or engage in other related businesses. Trans-World now has outstanding 1,010,000 common shares in addition to certain indebtedness. Of the net proceeds of its sale of additional stock, \$1,680,000 will be used to pay the remaining unpaid balance of the purchase price of the Euclid stock; \$1,351,056 to repay three bank loans; \$659,703 to pay the remaining unpaid balance of the purchase price of the Centennial stock; and \$124,876 to pay outstanding indebtedness of Centennial. The balance of the net proceeds will be added to general funds.

OVER

The three bank loans were made in August and September 1959 and are secured by pledge of stocks of the subsidiary companies.

Of the outstanding stock, Louis J. Galen owns 825,000 shares (81.7%) and L. S. Curfew 155,000 (15.3%). They are directors of the company; and Galen is president and Curfew secretary. Galen proposes to sell 190,000 shares and Curfew 35,000.

CENTRAL PUBLIC UTILITY ORDER CORRECTED

The SEC has issued an order (Release 35-14079) correcting its order of October 15, 1959, so as to substitute "Central Indiana" for "Con-Electron" in paragraph (b) of the said order.

---ooo0ooo---