

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

FOR RELEASE December 21, 1959

Statistical Release No. 1649. The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended December 18, 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	
	12/18/59	12/11/59		High	Low
Composite	429.1	427.5	+0.4	441.3	400.1
Manufacturing	538.8	536.9	+0.4	554.2	490.7
Durable Goods	517.9	516.0	+0.4	527.7	457.8
Non-Durable Goods	547.6	545.7	+0.3	570.1	510.5
Transportation	329.1	327.8	+0.4	371.6	318.7
Utility	211.7	211.0	+0.3	231.8	207.1
Trade, Finance & Service	441.6*	438.0	+0.8	441.6	382.7
Mining	295.6	296.0	-0.1	360.4	283.8

*New High

DATA-CONTROL SYSTEMS FILES FOR OFFERING AND SECONDARY. Data-Control Systems, Inc., 39 Rose Street, Danbury, Conn., filed a registration statement (File 2-15943) with the SEC on December 18, 1959, seeking registration of 122,500 outstanding shares of its common stock. The company proposes to offer 75,000 shares for public sale through C. E. Unterberg, Towbin Co., the offering price and underwriting terms to be supplied by amendment. The underwriting is on an all or none basis; and the underwriter contemplates the sale of not exceeding 5,000 shares to its partners and employees. An additional 10,000 shares are to be offered by the company pursuant to options granted or to be granted under the company's Employees' Stock Option Plan. The remaining 37,500 shares are now outstanding and may be offered for sale from time to time by the present holders thereof.

The company is engaged primarily in the manufacture and sale of radio telemetry components and systems for use primarily in the Government's aircraft, missile and space exploration programs, according to its prospectus. It was founded in September 1957 by Robert J. Jeffries, president, Raymond A. Runyan, Weems E. Estelle and Gunther Martin, who now own about one-third of its 249,650 outstanding common shares. Net proceeds to the company from its sale of the additional 75,000 shares will be used to provide additional working capital. Such funds will be applied initially to the repayment of about \$450,000 of borrowings outstanding under a revolving credit agreement with Empire Trust Company; the remainder will permit a further temporary reduction in the amounts of such borrowings through collection of pledged receivables. Additional future borrowings are contemplated, but the proceeds of the stock sale will reduce the amount thereof.

The prospectus lists eight selling stockholders. They own in the aggregate 132,078 shares, of which 8,000 shares each may be sold by Goldman, Sachs & Co., Bear, Stearns & Co., Lehman Brothers, and Wertheim & Co.

PANCOASTAL PETROLEUM PROPOSES OFFERING. Pancoastal Petroleum Company, Caracas, Venezuela, filed a registration statement (File 2-15944) with the SEC on December 18, 1959, seeking registration of 300,000 shares of its common capital stock. The statement also includes Voting Trust Certificates for the said 300,000 shares of stock, which are to be offered for sale at the market from time to time on the American Stock Exchange (December 11th closing price was \$2.375). No underwriting is involved.

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

The company now has outstanding 3,618,881 shares of stock. Net proceeds of the sale of additional stock, estimated at \$685,000 assuming all shares are sold at an average price of \$2.50 per share, will be added to the company's general funds and used as follows: (a) drilling of five wells in the Piritall Field in eastern Venezuela and additional field production facilities at a cost of about \$250,000; (b) participation to the extent of \$500,000 toward the erection of a repressuring plant in the Aguasay Field in eastern Venezuela to be shared by Venezuelan Atlantic Refining Company and Sinclair Venezuelan Oil Company if such construction is deemed necessary; and (c) repayment of advances and discharge of current liabilities.

HINSDALE RACEWAY STOP ORDER LIFTED. The Securities and Exchange Commission has lifted the "stop order" which suspended the registration statement filed by Hinsdale Raceway, Inc., Hinsdale, N. H.

The company's registration statement originally proposed the public offering of voting trust certificates for 1,000,000 shares of Hinsdale common stock, the underlying 1,000,000 shares and \$1,000,000 of 6% debenture notes. In a decision and order issued October 1, 1959, suspending its effectiveness, the Commission ruled that the registration statement and prospectus contained false and misleading statements and omitted required informational disclosures. The registration statement has now been amended to correct deficiencies reflected in the stop order decision and the Commission has lifted the stop order.

The amended registration statement relates to a proposed public offering of certificates for the 1,000,000 shares of Hinsdale stock, 290,730 shares of stock, and 712 10-year debenture notes (\$500 face value, 6%). The company was formed in April 1958 for the purpose of conducting night harness racing in New Hampshire at a track near the town of Hinsdale. Proceeds of the financing are to be used for payment of balance due on 1959 construction costs, payment of mortgage notes, and bank and insurance loans, unpaid management fees, fees and expenses of registering securities and to provide working capital.

In its earlier decision, the Commission ruled that the Hinsdale registration statement and prospectus were materially deficient in their disclosures with respect to the company's business and properties, the speculative features of the offering, the intended use of the proceeds of the sale of securities, the company's financial statements, and other matters.

TRADING IN SKIATRON ELECTRONICS STOCK SUSPENDED. The SEC announced December 18, 1959, that it had ordered a ten-day suspension of trading on the American Stock Exchange and over-the-counter markets in common stock of Skiatron Electronics and Television Corporation stock, December 18 to 27, 1959, inclusive. Also stop order proceedings were instituted against the Securities Act registration statement filed by Skiatron. (See Releases 33-4172 and 34-6146.)

AMERICAN INDUSTRIES LIFE FILES FINANCING PROPOSAL. American Industries Life Insurance Company, Title and Trust Building, Phoenix, Arizona, filed a registration statement (File 2-15945) with the SEC on December 18, 1959, seeking registration of 316,667 shares of Class A common stock and 50,000 shares of Class B common stock. The company proposes to offer 250,000 shares of Class A stock for public sale at \$4.50 per share. Selling commissions and expenses are estimated at 90¢ per share. An additional 50,000 shares were subscribed to by Foundation Life Insurance Service Company and 16,667 shares are reserved for issuance upon exercise of an option granted to Agency Director. The 50,000 Class B shares also were subscribed to by Foundation Life.

The company was organized in November 1958. In January 1958 it was authorized by the Arizona Department of Insurance to engage in a life and disability insurance business on a limited capital stock basis. Since its formation the promoters have purchased 25,000 Class B shares at \$1.50 per share. Assuming all of the additional shares are sold, the promoters, officials and agency director will hold 141,667 shares or 36.17% of the outstanding stock for which they will have paid \$412,501, whereas the public will hold 250,000 shares or 63.83% for which it will have paid \$1,125,000. Net proceeds of the sale of additional securities will be added to the capital and surplus of the company. The objective of the company is to change its operations from that of a limited capital stock legal reserve life and disability insurer to that of an unlimited capital stock legal reserve insurer. The prospectus lists Dan A. Aldridge, the president of Foundation Life, as company president.

PHILLIPS DEVELOPMENTS FILES FOR OFFERING. Phillips Developments, Inc., 1111 West Foothill Blvd., Azusa, Calif., today filed a registration statement (File 2-15946) with the SEC seeking registration of 400,000 shares of common stock, to be offered for public sale through an underwriting group headed by Allen & Company, Bear, Stearns & Co., and Sutro Bros. & Co. The public

offering price and underwriting terms are to be supplied by amendment.

The company was organized in September 1959 to acquire, through subsidiaries, the business and properties of certain corporations engaged in developing real estate in Southern California. Directly and through these subsidiaries it is engaged in the business of subdividing and developing land into lots or parcels by various off-site improvements and selling or leasing land which it has acquired. It also is engaged in the business of construction of residential, commercial recreational and resort buildings and improvements on land in the areas developed by it, and the sale or lease of same. Net proceeds of the stock sale will be added to the general funds of the company to increase working capital and will be available for the development of its properties (including financing for the construction of homes, business buildings and resort and other facilities at Salton Sea, Imperial County, Calif., and for additional construction at the shopping center at Riverside, Calif.) and possible acquisition of other properties.

The company now has outstanding 1,326,700 shares of common stock in addition to other securities. The 1,326,700 common shares and 4,020 shares of \$100 par preferred stock were or are to be issued in connection with the acquisition of the businesses and assets of twenty-six California corporations. The prospectus lists M. Penn Phillips as board chairman and Carlo P. Giuntini as president. Principal stockholders are Allen & Company, 208,824 common and 756 preferred shares and management officials 243,740 common shares.

FRANCIS CALLERY PROPOSES OIL OFFERING. Francis A. Callery, Agent, 375 Park Avenue, New York, today filed a registration statement (File 2-15947) with the SEC seeking registration of interests under "Exploration Venture Agency Agreements with Francis A. Callery, Agent," in the maximum amount of \$7,500,000. Being registered are interests which will be acquired by all Co-owners if said agreements are entered into providing for the maximum aggregate commitments contemplated by the offering. Such commitments of Co-owners would be to make successive deposits totalling \$1,250,000 per quarter and to pay certain other costs. Under said agreements Callery will engage on behalf of the Co-owners in the exploration for oil and gas on a continuing basis, using funds supplied pursuant to the Co-owners' commitments. As compensation for services, Callery will receive a one-third interest in all properties acquired. Deposits in the exploration fund will be used, among other things, for acquisition of oil and gas leases and other rights to explore or drill for oil and gas, geological and other services, drilling and testing and other operations. The activities of the venture are confined to South Louisiana and the Texas Gulf Coast.

CONSOLIDATED DEVELOPMENT HEARING POSTPONED. At the request of counsel for Consolidated Development Corporation, Havana, Cuba, the SEC has authorized a postponement from December 22 to January 25, 1960, of the hearing in "stop order" proceedings pending against that company's Securities Act registration statement. (For details, see New Digest of 12/9/59 and Release 33-4165).

AMERICAN INVESTORS - OIL GAS & MINERALS HEARING POSTPONED. At the further request of counsel for American Investors Syndicate, Inc., and Oil, Gas & Minerals, Inc., of New Orleans, the SEC has authorized a postponement from December 23, 1959, to January 23, 1960, of the hearing in "stop order" proceedings pending against Securities Act registration statements filed by the said companies. (For details, see Release 33-4134).

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