

# 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 February 14, 1963

**PANHANDLE EASTERN PIPE LINE SEEKS ORDER.** Panhandle Eastern Pipe Line Company, has applied to the SEC under the Trust Indenture Act of 1939 for a finding by the Commission that trusteeship of First National City Bank under two certain indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Bank from acting as such under both indentures; and the Commission has issued an order (Release TI-180) giving interested persons until March 5 to request a hearing thereon. Panhandle has outstanding \$17,822,000 of 2-3/4% debentures due 1975 under an indenture dated 1950 to First National City Bank (qualified under the Act), and \$37,600,000 of 4-3/4% debentures due 1978 under an indenture dated 1958 to First National City Trust Company (not qualified). The Trust company was merged into the Bank in January 1963 and as the surviving company First National City Bank became successor trustee under the 1958 indenture.

**UNLISTED TRADING GRANTED.** The SEC has granted applications of the Detroit Stock Exchange for unlisted trading privileges in the common stocks of the following: Allied Chemical Corp., American Can Co., American Cyanamid Co., American Tobacco Co., Arizona Public Service Co., Delta Air Lines, Inc., Douglas Aircraft Co., Inc., El Paso Natural Gas Co., Fairbanks Whitney Corp., Gulf Oil Corp., International Paper Co., Kellogg Co., Kerr-McGee Oil Industries, Inc., The Magnavox Co., Martin-Marietta Corp., McDonnell Aircraft Corp., Charles Pfizer & Co., Inc., Polaroid Corp., Schenley Industries, Inc., Tennessee Gas Transmission Co., United Fruit Co. (Release 34-7024)

**UNLISTED TRADING SOUGHT.** The SEC has issued an order (Release 34-7024) giving interested persons until March 1 to request a hearing upon an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of American Bakeries Company, Mergenthaler Linotype Company, and Joy Manufacturing Company.

**TWO DELISTINGS APPROVED.** The SEC has granted applications of the Philadelphia-Baltimore-Washington Stock Exchange to delist the capital stock of Mergenthaler Linotype Company and the common stock of Westmoreland Incorporated, both effective at the close of business March 7. Mergenthaler stock remains listed on the New York Stock Exchange. (Release 34-7024)

**SEARIGHT, AHALT & O'CONNOR ENJOINED.** The SEC New York Regional Office announced February 8 (LR-2505) the entry of a Federal court order (USDC, SDNY) preliminarily enjoining Searight, Ahalt & O'Connor, Inc., 115 Broadway, New York, and George A. Searight (Great Neck, Long Island), its president, Henry C. Ahalt (Washington, D. C.), vice president, and Gerard K. Springer (New Rochelle, N. Y.), general manager, from violation of the Commission's net capital rule.

**WILLIAM B. QUINN SENTENCED.** The SEC Washington Regional Office today announced that William B. Quinn, of Poland, Ohio, was sentenced to a fine of \$1,000 following his plea of nolo contendere (USDC, WD, Pa.) to charges of violating the Securities Act registration provisions in the offer and sale of common stock of Universal Fuel and Chemical Corporation. Similar plea previously filed by Guy W. Gully. Trial of remaining defendants on charges of violating Securities Act registration and anti-fraud provisions will commence in Pittsburgh on February 18. (LR-2506)

**GATEWAY CHEMICALS FILES FOR SECONDARY.** Gateway Chemicals, Inc., 8825 South Greenwood Ave., Chicago, filed a registration statement (File 2-21074) with the SEC on February 13 seeking registration of 100,000 outstanding shares of common stock, to be offered for public sale by Gerry Gans, president and principal stockholder. A. C. Allyn & Co., 122 S. LaSalle St., Chicago, heads the list of underwriters. The public offering price (maximum \$14 per share\*) and underwriting terms are to be supplied by amendment.

The company is engaged in the compounding and packaging of chemical products, primarily detergents, under private brand names, for sale to automotive and food chain stores, wholesalers and others; and it is also engaged in the assembly and sale at wholesale of automobile safety seat belts. The company has outstanding 441,000 shares of common stock (after giving effect to a recent 5% stock dividend), of which Gans owns 49.4% (and holds of record an additional 10.4%). As indicated, he proposes to sell the 100,000 shares.

**SECURITIES ACT REGISTRATIONS.** Effective February 14: Black Hills Power & Light Co. (File 2-21024); Drexel Enterprises, Inc. (File 2-21032); Florida Bancgrowth, Inc. (File 2-19957); Hofman Laboratories, Inc. (File 2-20249); R.E.D.M. Corp. (File 2-20534); Sentinel Life Insurance Co. (File 2-20714); Wallace & Tiernan, Inc. (File 2-21018); Red Owl Stores, Inc. (File 2-20906).

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

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