

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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CATERPILLAR TRACTOR FILES INVESTMENT PLAN. Caterpillar Tractor Co., Peoria, Ill., filed a registration statement (File 2-21143) with the SEC on March 11 seeking registration of \$3,000,000 of participations in its Employees' Investment Plan and 175,000 common shares which may be acquired pursuant thereto.

SCRIPPS-HOWARD BROADCASTING FILES FOR SECONDARY. Scripps-Howard Broadcasting Company, 1121 Union Central Building, Cincinnati, filed a registration statement (File 2-21144) with the SEC on March 12, seeking registration of 375,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by The First Boston Corporation, 20 Exchange Place, New York. The public offering price (maximum \$20 per share*) and underwriting terms are to be supplied by amendment.

The company owns and operates four television stations, all of the very high frequency (VHF) type (Cleveland, Cincinnati, Memphis and West Palm Beach), three standard (AM) radio stations (Cincinnati, Knoxville and Memphis) and two frequency modulation (FM) radio stations (Cincinnati and Memphis.) The company has outstanding 2,588,750 shares of common stock, of which The E. W. Scripps Company and Jack R. Howard, president, own 71.48% and 8.69% respectively. In addition, James C. Hanrahan, M. C. Watters and R. B. Westergaard, vice presidents, own 4.35% each and management officials as a group 22.16%. E. W. Scripps Co. and Howard propose to sell 118,750 and 102,500 shares, respectively, and Hanrahan, Watters and Westergaard 51,250 shares each.

WESTERN LIGHT & TELEPHONE PROPOSES RIGHTS OFFERING. Western Light & Telephone Company, Inc., 2015 Forest Avenue, Great Bend, Kansas, filed a registration statement (File 2-21146) with the SEC on March 12 seeking registration of 115,339 shares of common stock. It is proposed to offer such stock for subscription by common stockholders at the rate of one new share for each 10 shares held. Unsubscribed shares are to be offered for public sale through underwriters headed by Dean Witter & Co., 50 West Adams St., Chicago. The record date, subscription price (maximum \$35 per share*) and underwriting terms are to be supplied by amendment.

The company operates electric, gas, water and telephone properties in central Kansas and telephone properties in Iowa and Missouri. The net proceeds from the stock sale, together with proceeds of certain borrowings, will be applied to the company's construction program for 1963, estimated at \$14,344,000. In addition to various indebtedness and preferred stock, the company has outstanding 1,133,494 shares of common stock, of which management officials as a group own about 1.41%. Bennett S. Martin is board chairman and E. P. Hennek is president.

CITIES SERVICE FILES THRIFT PLAN. Cities Service Company, Sixty Wall St., New York, filed a registration statement (File 2-21147) with the SEC on March 11 seeking registration of \$15,250,000 of participations in its Employees Thrift Plan, and 250,000 shares of common stock which may be acquired pursuant thereto.

FRANKLIN-PARIS FILES FOR OFFERING. The Franklin-Paris Company, 176 East 77th Street, New York, filed a registration statement (File 2-21148) with the SEC on March 11 seeking registration of \$400,000 of limited partnership interests (plus \$60,000 of interests subject to a 15% involuntary overcall), to be offered for public sale in 160 units at \$2,500 per unit. No underwriting is involved.

The partnership, which will be organized under New York law when the \$400,000 of interests are sold pursuant to this offering, proposes to engage in the production of the dramatico-musical play tentatively entitled "Ben Franklin In Paris." The producers of the play, George W. George and Frank Granat, will be the general partners of the partnership. The play was authored by Sidney Michaels, the bookwriter-lyricist, and Mark Sandrich, the composer. The net proceeds from the sale of interests will be applied to the production budget, preliminary advertising, casting, rehearsal and miscellaneous expense. The producers will be entitled to receive 50% of the net profits of the partnership for which they will make no cash contributions. The authors will receive royalties in an amount equal to 6% of the gross weekly box office receipts for each week of performances, and the producers will receive for services in connection with production of the play, an aggregate fee of 1% of the gross weekly box office receipts.

SOUTHWESTERN ELECTRIC POWER PROPOSES BOND OFFERING. Southwestern Electric Power Company, 428 Travis St., Shreveport, La., filed a registration statement (File 2-21149) with the SEC on March 11 seeking registration of \$30,000,000 of first mortgage bonds (series I) due 1993, to be offered for public sale at competitive bidding. Of the net proceeds from the bond sale (1) \$14,000,000 will be used to finance a part of the company's construction expenditures (including payment of about \$4,000,000 of short-term loans), and (2) \$16,000,000 will be applied toward the redemption of a like amount of 5-1/8% first mortgage bonds (series H) due 1989 (at 105.29%). Construction expenditures for 1963 are estimated at \$22,000,000.

NATIONAL STARCH AND CHEMICAL FILES STOCK PLAN. National Starch and Chemical Corporation, 750 Third Ave., New York, filed a registration statement (File 2-21150) with the SEC on March 12 seeking registration of 15,000 shares of common stock, to be offered pursuant to its Employee Stock Purchase Option Plan of 1963-1964.

UTAH POWER & LIGHT BORROWING APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14825) authorizing Utah Power & Light Company, Salt Lake City holding company, to sell during the period March 1963 through June 1964, up to an aggregate of \$27,000,000 of unsecured promissory notes pursuant to a credit agreement with 14 banks. The proceeds from such borrowings, together with other funds, will be used to prepay notes to banks (\$6,000,000) and to finance in part the company's construction program up to August 1964. It is estimated that \$24,000,000 will be so required in 1963 and \$5,000,000 in the first half of 1964.

COMPLAINT CITES CARDINAL DRILLING, OTHERS. The SEC Chicago Regional Office announced March 6 (LR-2532) the filing of court action (USDC, ND, Ohio) seeking to enjoin Cardinal Drilling Company, Inc., and G. H. Porter, its president (both of Shreveport, La.), and Albert D. Ramunno, John A. Ramunno and Guy Lalama (of Youngstown, Ohio) from further violations of the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of fractional undivided working interests in oil and gas leases on tracts of land situated in Texas and Louisiana.

FIRST MORTGAGE OF STUART ENJOINED. The SEC Atlanta Regional Office announced March 8 (LR-2533) the entry of a Federal court order (USDC, SD, Fla.) permanently enjoining First Mortgage Corporation of Stuart (Florida) and R. C. Fernon, also of Stuart, from further violations of the Securities Act registration and anti-fraud provisions in the offer and sale of stock of Financial Distributors Corporation, a Miami broker-dealer. The defendants consented to entry of the order.

COMPLAINT CITES PETROLEUM LEASE, OTHERS. The SEC Washington Regional Office announced March 12 (LR-2534) the filing of court action (USDC, DC) seeking to enjoin Petroleum Lease Corporation, a Maryland company, Petroleum Properties Corporation, a District of Columbia company (both doing business in the District of Columbia), and James S. Richards and Martin J. Parker, both of Washington, D. C., from violations of the Securities Act registration and anti-fraud provisions in the offer and sale of common stock of the defendant companies.

VIOLATIONS CHARGED TO MARKET SECURITIES. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Market Securities, Inc., 1201 Walker Bank Bldg., Salt Lake City, Utah, engaged in practices which operated as a "fraud and deceit" upon investors or otherwise violated the Federal securities laws and, if so, whether its broker-dealer registration should be revoked.

The said company ("registrant") has been registered with the Commission as a broker-dealer since December 27, 1955. E. William Coombs, Jr., is president and a principal stockholder. According to the order, registrant was permanently enjoined (by consent) by a Federal court in Salt Lake City in December 1962 from violations of the Commission's net capital and bookkeeping rules. In its order, the Commission recites charges of its staff that information developed in an investigation tends to show that during June-December 1962, registrant and Coombs "engaged in transactions, practices and a course of business which would and did operate as a fraud and deceit" upon investors in violation of the anti-fraud provisions of the Federal securities laws in that they violated the Commission's net capital and bookkeeping rules, engaged in the securities business while insolvent, and in connection with offers to purchase and sell securities made false and misleading statements of material facts concerning the foregoing. The staff also charges that registrant and Coombs refused to allow reasonable periodic examinations of certain records by Commission representatives as required; failed to promptly amend registrant's broker-dealer application correcting certain inaccurate information; and violated the credit restrictions of Regulation T.

A hearing will be held, at a time and place to be announced, for the purpose of taking evidence to determine whether the staff charges are true and, if so, whether registrant's broker-dealer registration should be revoked. Registrant is a member of the National Association of Securities Dealers, Inc.; and one of the issues in these proceedings is whether it also should be suspended or expelled from NASD membership.

ADDITIONAL VIOLATIONS CHARGED TO FINANCIAL EQUITY CORP. The Commission also has issued a further order under the Securities Exchange Act alleging additional violations of the anti-fraud provisions of the Federal securities laws by Financial Equity Corporation, 639 South Spring Street, Los Angeles. The Commission's staff charges that during a time when the firm was insolvent, Jack Jerayr Mahakian, its president, converted to his own use and benefit customers' funds received by him from the sale of their securities (and funds deposited for purchase of securities) with the result that the firm's customers were and are unable to obtain their free credit balances and fully-paid securities. The order also states that an injunction was entered by a Federal court in California in December 1961 against the firm and Mahakian from violations of the Commission's net capital rule and the injunction with respect to the firm was made permanent by default in February 1963. Mahakian stipulated to the Court in January 1963 that it could enter a permanent injunction against him without further proceedings in the event the Commission revoked the firm's broker-dealer registration and named Mahakian as a cause of such revocation. The Court has continued the injunctive action pending the outcome of the present administrative proceedings. The order also states that the firm was expelled from membership in the National Association of Securities Dealers, Inc. on November 20, 1962. A hearing for the purpose of taking evidence on the charges alleged in the Commission's prior order of April 6, 1962 and the additional charges alleged in the new order, has been scheduled for April 18, 1963, at its Los Angeles Branch Office.

SECURITIES ACT REGISTRATIONS. Effective March 12: Automatic Retailers of America, Inc. (File 2-21075). Withdrawn March 8: Jackson's/Byrons Enterprises, Inc. (File 2-19932). Withdrawn March 11: Real Properties Corp. of America (File 2-20292). Withdrawn March 12: Consolidated Laundries Corp. (File 2-21110); Pellegrino Aggregate Technico, Inc. (File 2-18667). Effective March 13: The Kansai Electric Power Company, Inc. (File Nos. 2-21059 and 2-21060); Belden & Blake and Company Ltd. Partnership No. 1 (File 2-21064).

*As estimated for purposes of computing the registration fee.