

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 May 6, 1963

Statistical Release No. 1899. The SEC Index of Stock Prices, based on the closing prices of 300 common stocks for the week ended May 3, 1963, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1963 is as follows:

	1957-59 = 100		Percent Change	1963	
	5/3/63	4/26/63		High	Low
Composite	142.7*	142.0	+0.5	142.7	130.6
Manufacturing	133.8*	133.3	+0.4	133.8	121.1
Durable Goods	128.6*	127.9	+0.5	128.6	116.2
Non-Durable Goods	138.6*	138.3	+0.2	138.6	125.8
Transportation	121.1*	119.5	+1.3	121.1	106.4
Utility	181.6*	180.7	+0.5	181.6	170.3
Trade, Finance & Service	168.0*	166.6	+0.8	168.0	153.5
Mining	121.9	121.2	+0.6	122.8	104.2

*New High

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended May 2, 1963, 34 registration statements were filed, 52 became effective, 3 were withdrawn, and 364 were pending at the week-end.

EASTERN UTILITIES SEEKS ORDER. Eastern Utilities Associates, Boston registered holding company, and five subsidiaries, have applied to the SEC for an order under the Holding Company Act authorizing them to use a method of allocating the group's consolidated income tax liabilities which will give to each of the companies included in the consolidated returns of Eastern Utilities and its subsidiaries the full investment credit each company contributes to the total investment credit allowed on the consolidated returns. The Commission has issued an order (Release 35-14868) giving interested persons until May 27, 1963 to request a hearing thereon.

NEW ENGLAND ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-14869) authorizing New England Electric System, Boston registered holding company, to purchase from its wholly-owned subsidiary, New England Power Company, an additional 200,000 common shares of the subsidiary at \$40 per share. The proceeds from the sale of additional stock to NEES will be applied by the subsidiary to pay short-term indebtedness to NEES previously incurred for capital expenditures.

CONTINENTAL VENDING SUSPENSION CONTINUED. The SEC has ordered the suspension of exchange and over-the-counter trading in the common stock and debentures of Continental Vending Machine Corporation for a further ten day period, May 7 to May 16, 1963, inclusive.

AMERICAN BROADCASTING-PARAMOUNT THEATRES FILES STOCK PLAN. American Broadcasting-Paramount Theatres, Inc., 7 West 66th St., New York, filed a registration statement (File 2-21387) with the SEC on April 30 seeking registration of 360,098 shares of common stock, to be offered pursuant to its Restricted Stock Option Plan.

NEWMONT MINING FILES STOCK PLAN. Newmont Mining Corporation, 300 Park Ave., New York, filed a registration statement (File 2-21388) with the SEC on May 1 seeking registration of 85,000 shares of common stock, to be offered pursuant to its Restricted Stock Option Plan.

GRACE & CO. FILES STOCK PLAN. W. R. Grace & Co., 7 Hanover Square, New York, filed a registration statement (File 2-21389) with the SEC on April 30 seeking registration of 60,000 shares of common stock, to be offered pursuant to its Employee Stock Purchase Plan.

MOUNTAIN STATES T & T FILES FOR RIGHTS OFFERING. The Mountain States Telephone and Telegraph Company, 931 Fourteenth St., Denver, filed a registration statement (File 2-21390) with the SEC on May 3 seeking registration of 4,037,431 shares of common stock. It is proposed to offer such stock for subscription by stockholders of record on June 3, 1963. Such stockholders will be issued rights to purchase shares in the ratio of one share for each ten shares then held, and ten rights will be required for each share of stock purchased. No underwriting is involved. The subscription price is to be supplied by amendment. It is expected that American Telephone and Telegraph Company, which owns 35,023,200 shares (86.75%) of the company's outstanding stock will subscribe for the 3,502,320 shares, which represent its pro rata portion of the offering. The net proceeds from the stock sale will be used to repay advances from the parent (\$108,000,000) and for general corporate purposes, including extensions, additions and improvements to its plant. The advances were obtained for such general corporate purposes. It is anticipated that construction expenditures for 1963 will be about \$130,000,000. W. K. Koch is president.

OVER

CORNING GLASS WORKS FILES STOCK PLANS. Corning Glass Works, Corning, N. Y., filed a registration statement (File 2-21391) with the SEC on May 1 seeking registration of 196,270 shares of common stock, to be offered pursuant to its 1957 and 1962 Employee Stock Option Plans.

LANE BRYANT FILES STOCK PLAN. The Lane Bryant, Inc., 465 Fifth Ave., N. Y., filed a registration statement (File 2-21392) with the SEC on May 2 seeking registration of 80,000 shares of common stock, to be offered pursuant to its Employees' Stock Purchase Plan.

COLONIAL CORP. OF AMERICA FILES FOR SECONDARY. Colonial Corporation of America, 45 West 33rd St., N.Y., filed a registration statement (File 2-21393) with the SEC on May 3 seeking registration of 29,600 outstanding shares of common stock, to be offered for public sale by the holders thereof from time to time through brokers and dealers at prevailing market prices (maximum \$25 per share*), less normal commission on the New York Stock Exchange.

The company manufactures and sells clothes, curtains, draperies and bedspreads. In addition to certain indebtedness, it has outstanding 2,632,129 shares of common stock, of which Sol Berger, president (and his wife), own directly or indirectly an aggregate of 58.4%. The prospectus lists four selling stockholders including Abraham J. Schneiferson, a director, who proposes to sell 18,500 shares (of 18,635 shares owned). The others propose to sell all of their holdings (except for 145 shares).

SZABO FOOD SERVICE FILES STOCK OPTIONS. Szabo Food Service, Inc., 4242 South First Avenue, Lyons, Ill., filed a registration statement (File 2-21394) with the SEC on May 1 seeking registration of 41,180 shares of common stock and 4,118 shares of 5% convertible cumulative preferred stock (\$10 par), to be offered to employees pursuant to Stock Options.

OZARK AIR LINES PROPOSES DEBENTURE OFFERING. Ozark Air Lines, Inc., Lambert-St. Louis Municipal Airport, St. Louis, Mo., filed a registration statement (File 2-21395) with the SEC on May 3 seeking registration of \$3,000,000 of convertible subordinated debentures due 1978, to be offered for public sale by Auchincloss, Parker & Redpath, Two Broadway, New York, and Yates, Heitner & Woods, Paul Brown Bldg., St. Louis. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is principally engaged in local service air transportation serving some 54 cities through 45 airports in ten middle western states. Of the net proceeds from the debenture sale, together with \$4,000,000 to be borrowed from three banks, \$2,861,981 will be used to pay most of the company's outstanding funded indebtedness; \$1,600,000 to pay short term indebtedness incurred in purchasing and modifying two used aircraft; \$620,000 to exercise an option to purchase additional aircraft presently operated by the company under lease; \$350,000 to modify and overhaul two other aircraft; \$300,000 for leasehold improvements to the company's premises at O'Hare International Airport in Chicago; and the balance for additional working capital and other purposes, including the acquisition of three leased aircraft which the company has an option to buy and intends to purchase and resell. According to the prospectus, the \$4,000,000 loan will be secured by a chattel mortgage on all aircraft, engines and propellers, and related spare parts owned by the company. In addition to certain indebtedness, the company has outstanding 1,599,692 shares of common stock, of which Floyd W. Jones, board chairman, owns 532,168 shares (33.26%), Chris A. Bachman, a director (together with his family) owns 214,550 shares, and management officials as a group 912,049 shares (57%). Joseph H. FitzGerald is president.

FUTURES UNLIMITED ENJOINED. The SEC Atlanta Regional Office announced May 2 (LR-2614) the entry of a Federal court order (USDC, SD, Fla.) permanently enjoining Futures Unlimited of Florida, Inc., and Eugene J. Dunnigan, its president (of Coral Gables) from further violation of the Commission's net capital rule. The defendants consented to entry of the order.

AMERICAN BROKERAGE ENJOINED. The SEC Denver Regional Office announced May 2 (LR-2615) the entry of a Federal court order (USDC, Wyoming) permanently enjoining American Brokerage Company, a Cheyenne partnership, John R. Burrup (also known as Jack Burrup) and Jay Melvin Burrup (also known as Mel Burrup), of Phoenix, Ariz., from further violating the Securities Act anti-fraud provisions in the offer and sale of stock option certificates of Pacific-Atlantic Life Insurance Company (or any other securities). The defendants consented to entry of the order.

HERBERT E. CORRIGAN APPREHENDED. The SEC Atlanta Regional Office announced May 2 (LR-2616) that Herbert E. Corrigan, who was indicted on February 26, 1962 in a Federal court in Tampa, Fla., for violations of the Securities Act anti-fraud provisions, and who has been a fugitive since such indictment, was apprehended in Harahan, Louisiana, where he was residing under an alias of Frank R. McClan. Corrigan is presently in custody in New Orleans, and a removal hearing is scheduled for May 3rd before the United States Commissioner in New Orleans.

CORRECTION RE OHIO EDISON. The reference to Ohio Edison Co. in the last item of the May 2d News Digest was in error. Ohio Edison's statement was effective in May 1962, and the May 2d item referred to a post-effective amendment thereto which was declared effective April 30th.

SECURITIES ACT REGISTRATIONS. Effective May 3: American Snuff Co. (File 2-21350); Vacuum-Electronics Corp. (File 2-21166). Effective May 6: The Exchange Fund of Boston (File 2-21222); Panhandle Eastern Pipe Line Co. (File 2-21275).

*As estimated for purposes of computing the registration fee.