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

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FOR RELEASE July 25, 1963

BRANTLY HELICOPTER FILES FOR RIGHTS OFFERING. Brantly Helicopter Corporation, 1129 Club House Road, Gladwyne, Pa., filed a registration statement (File 2-21596) with the SEC on July 23 seeking registration of 588,780 shares of common stock. It is proposed to offer such stock for subscription at 50¢ per share by common stockholders at the rate of three new shares for each share held. The record date is to be supplied by amendment. No underwriting is involved. The statement also includes \$195,000 of 6% convertible debentures due 1973 (convertible into 195,000 common shares), to be sold to three officers of the company.

The company is engaged in the manufacture and sale of a light two-place helicopter which is designed primarily for the civilian market. According to the prospectus, during the two fiscal years ended July 31, 1961 and 1962, the company sold 77 and 62 helicopters, respectively; and an additional 24 were sold during the nine months ended April 1963. The prospectus reflects a net loss for the year ended July 31, 1962 of \$299,181 and a deficit at the end of that period of \$692,184; and a net loss is shown for the nine months ended April 30, 1963 of \$269,523 and a deficit of \$961,707. Based on historical costs, the company estimates that sales of a minimum of about 200 helicopters per year would be required in order for the company to realize any profits from its operations. The net proceeds from the stock sale will be used for working capital which has been depleted by the continuing operating losses of the company. Out of such working capital, \$110,000 will be used to reduce indebtedness to trade creditors and to repay a demand bank loan incurred to provide working capital. If additional funds are available, the company intends to spend \$75,000 out of working capital to complete development of a model for a four-place helicopter, and \$64,000 to repay loans made to the company for working capital by Newby O. Brantly (board chairman) and two other officers, who have indicated their intention to use the funds to subscribe for shares pursuant to this offering. The proceeds from the sale of the debentures to said three officers will be used to repay a \$195,000 bank loan (presently guaranteed by them).

In addition to certain indebtedness, the company has outstanding 196,260 shares of common stock, of which Brantly, Edmund K. Dawes and Walter L. Heppenstall, directors, and Ronald F. Daniel own about 21% each. Book value of stock now outstanding is \$2.96 per share, taking into account deferred development costs of \$384,543; and book value, exclusive of such costs, is \$1.01 per share.

REGISTRATION OF HARRIS & CO. WITHDRAWN. In a decision announced today, the SEC permitted Robert M. Harris & Co., Inc., 6 Penn Center Plaza, Philadelphia, to withdraw its registration as a broker-dealer. The Commission also discontinued proceedings previously instituted to determine whether the firm violated the Commission's record-keeping rules and, if so, whether its registration should be revoked and whether the firm should be suspended or expelled from membership in the National Association of Securities Dealers, Inc. The Commission found that the firm ceased doing business in June 1962, "that no useful purpose would be served by further action in these proceedings and that it is appropriate in the public interest to grant registrant's request to withdraw its registration."

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, July 26 to August 4, 1963, inclusive.

MIDDLE SOUTH UTILITIES SEEKS ORDER. Middle South Utilities, Inc., New York registered holding company, and its utility subsidiary, Arkansas Power & Light Company, have applied to the SEC for an order under the Holding Company Act authorizing Arkansas Power to transfer a portion of its restricted earned surplus to its common stock account and thereafter to sell to Middle South (which owns all of its outstanding stock) an additional 240,000 common shares aggregating \$3,000,000; and the Commission has issued an order (Release 35-14917) giving interested persons until August 19, 1963 to request a hearing thereon. At April 30, 1963, the earned surplus of Arkansas Power amounted to \$19,077,056, of which \$9,039,043 was restricted against the payment of cash dividends on common stock. Arkansas Power proposes to transfer \$3,000,000 of such restricted surplus and credit such amount to its common stock capital account. The application states that the issuance of the additional common stock to Middle South will permit the subsidiary to convert into capital a portion of its restricted earned surplus which has been permanently invested in betterments and improvements to its physical properties.

SECURITIES ACT REGISTRATIONS. Effective July 25: American & Foreign Power Company, Inc. (File 2-21523); P. Lorillard Co. (File 2-21445); Music Royalty Corp. (File 2-20611); Nutone, Inc. (File 2-21555); The Sammy Co. (File 2-21550); Walt Disney Productions (File 2-21201).

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