

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

Washington 25, D.C.

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

(Issue No. 63-9-20)

FOR RELEASE September 30, 1963

Statistical Release No. 1930. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended September 27, 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	
	9/27/63	9/20/63		High	Low
Composite	146.7	149.0	-1.5	149.0	130.6
Manufacturing	137.6	140.7	-2.2	140.7	121.1
Durable Goods	133.6	136.9	-2.4	136.9	116.2
Non-Durable Goods	141.4	144.3	-2.0	144.3	125.8
Transportation	126.0	128.4	-1.9	131.7	106.4
Utility	183.2	182.4	+0.4	183.2	170.3
Trade, Finance & Service	178.3	179.9	-0.9	180.9	153.8
Mining	129.6	133.5	-2.9	135.6	104.2

R - Revised

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended September 26, 1963, 21 registration statements were filed, 25 became effective, 3 were withdrawn, and 266 were pending at the week-end.

ALLEGHENY POWER SYSTEM SEEKS ORDER. Allegheny Power System, Inc., New York registered holding company, and its utility subsidiary, Monongahela Power Company, have applied to the SEC for an order under the Holding Company Act with respect to the proposed organization of Allegheny Power Service Corporation and the transfer to the new corporation of certain servicing activities of Allegheny, Monongahela, and West Penn Power Company, another subsidiary of Allegheny; and the Commission has issued an order (Release 35-14948) giving interested persons until October 30, 1963, to request a hearing thereon. According to the application, the Service Company will be organized under Maryland law and sell to Allegheny 5,000 capital shares for \$50,000 and \$450,000 of long-term notes. The Service Company will acquire all of the physical property and leasehold improvements now owned by Allegheny and will commence operations with initial capital of \$500,000, of which \$328,000 will be invested in property and \$172,000 in cash available as working capital. The application states that organization of the Service Company will permit more equitable allocation of system service costs and improve utilization of system manpower.

PENN FUEL GAS SEEKS ORDER. Penn Fuel Gas, Inc., an Oxford, Pa. exempt holding company, and John H. Ware, 3rd, an affiliate of Penn Fuel, have applied to the SEC for an exemption order under the Holding Company Act with respect to the acquisition by Penn Fuel of capital stock of Emmitsburg Gas Company; and the Commission has issued an order (Release 35-14949) giving interested persons until October 18, 1963 to request a hearing thereon. According to the application, Penn Fuel proposes to acquire for \$30,000 all of the capital stock (300 shares) of Emmitsburg Gas, recently organized under Maryland law to provide natural gas service in the Town of Emmitsburg, Md. and vicinity (which presently has no gas service other than bottled gas). The proceeds of the stock sale, together with advances from Penn Fuel and others in aid of construction, will be used by Emmitsburg Gas to pay the cost of construction, estimated at \$213,300, of the necessary transmission and distribution facilities.

TERMINATION OF TRUSTEED NEW YORK BANK SHARES REGISTRATION PROPOSED. The SEC has issued an order under the Investment Company Act (Release IC-3779) giving interested persons until October 14, 1963 to request a hearing upon its proposal to declare that Trusteed New York Bank Shares, a New York unit investment trust, has ceased to be an investment company. Trusteed's sponsor, National Associated Dealers, Inc., was dissolved by proclamation of the Secretary of State of New York in 1947. In 1948 the Trust was terminated by the Trustee (Empire Trust Company) and a first distribution of assets was made to holders shortly thereafter; and a final distribution was paid in 1956 and the Trustee no longer holds any assets of the Trust.

FLORIDA CITRUS INDUSTRIES, INC. ENJOINED. The SEC Atlanta Regional Office announced September 25 (LR-2751) the entry of a Federal court order (USDC, SD, Fla.) permanently enjoining Florida Citrus Industries, Inc. and its president, Alfred D. Van, both of Orlando, Fla., from further violations of the Securities Act registration provisions in the offer and sale of investment contracts of the company consisting of units of orange grove properties coupled with contracts for maintaining the groves and harvesting and marketing the fruit to be derived therefrom. The defendants consented to entry of the injunction.

ISRAEL INVESTORS FILES FOR STOCK OFFERING. Israel Investors Corporation, 850 Third Ave., New York, filed a registration statement (File 2-21735) with the SEC on September 26 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$104 per share (payable in cash or certain State of Israel bonds). No underwriting is involved. The company is registered under the Investment Company Act

OVER

of 1940 as a closed-end non-diversified management investment company and is engaged in investing in private industries located in Israel; and the net proceeds from the stock sale will be used for such investments. In addition to certain indebtedness, the company has outstanding 176,459 shares of common stock, of which management officials as a group own 7%. Samuel Rothberg is president and Louis H. Boyar is board chairman.

**INTERNATIONAL LIFE OF BUFFALO FILES FOR RIGHTS OFFERING.** International Life Insurance Company of Buffalo, 120 Delaware Ave., Buffalo, N. Y., filed a registration statement (File 2-21736) with the SEC on September 26 seeking registration of 125,900 shares of capital stock. It is proposed to offer such stock for subscription by capital stockholders at the rate of one share for each four shares held. The record date and subscription price (maximum \$32 per share\*), as well as commission payable to securities dealers who may participate in the offering, are to be supplied by amendment.

The company is engaged in the business of selling various forms of life insurance and annuities as well as individual accident and health insurance. The net proceeds from the stock sale will initially be invested in securities permitted by New York insurance law and thereafter, together with additional income, used as needed to absorb the cost of writing new insurance, set up proper reserves in connection therewith and in general finance of the company's operations. The company has outstanding 501,000 shares of capital stock (with a \$2.76 per share book value), of which management officials as a group own 17.5%. Harold D. Farber is president and board chairman.

**GREAT LAKES HOMES FILES FOR OFFERING AND SECONDARY.** Great Lakes Homes, Inc., Sheboygan Falls, Wisc., filed a registration statement (File 2-21737) with the SEC on September 27 seeking registration of 160,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 60,000 shares, being outstanding stock, by the holders thereof. The Milwaukee Company, 207 East Milwaukee St., Milwaukee, heads the list of underwriters. The public offering price (maximum \$10 per share\*) and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are primarily engaged in the manufacture of custom-designed, factory-built "house packages" consisting of the basic carpentry for single and multi-family dwellings, including structural members, partitions, siding, roofing, hardwood floors, kitchen cabinets, millwork, windows and ready-hung doors in pre-assembled sections. These packages are sold to builders and other dealers who use them in the construction of finished houses for sale in the retail housing markets. Of the net proceeds from the company's sale of additional stock, together with \$1,000,000 proceeds from accounts receivable financing, \$235,000 will be used to retire short-term notes payable to suppliers and others; \$120,000 to retire short-term bank loans; \$45,000 to retire chattel mortgages on certain equipment; and the balance will be added to general funds to provide additional working capital. Of the latter, it is anticipated that about \$1,000,000 will be used to reduce accounts payable.

In addition to various indebtedness, the company has outstanding 365,287 shares of common stock, of which Lee Larson, board chairman and president, owns 194,092 shares (53.1%) and proposes to sell 50,000 shares. Harold Larson, a director, proposes to sell 10,000 of 20,299 shares owned.

**CHICAGO MUSICAL INSTRUMENT FILES FOR OFFERING AND SECONDARY.** Chicago Musical Instrument Co., 7373 North Cicero Ave., Chicago, filed a registration statement (File 2-21738) with the SEC on September 27 seeking registration of 190,000 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 140,000 shares, being outstanding stock, by the holders thereof. Smith, Barney & Co., Inc., 20 Broad St., New York, heads the list of underwriters. The public offering price (maximum \$26 per share\*) and underwriting terms are to be supplied by amendment.

The company is a manufacturer and a distributor of musical instruments and accessories, including Lowrey electronic organs, Story & Clark pianos, Gibson and Epiphone guitars and electronic amplifiers, Olds band instruments, the Cordovox, accordions and violins. Of the net proceeds from the company's sale of additional stock, \$400,000 will be used to expand the company's executive offices and the balance, together with other funds, to expand facilities for the production of Olds band instruments, Gibson and Epiphone guitars and amplifiers and Story & Clark pianos. In addition to certain indebtedness, the company has outstanding 1,579,058 shares of common stock, of which the family of M. H. Berlin, president, owns 20.8% and management officials as a group 16.5%. The prospectus lists 70 selling stockholders owning an aggregate of 809,289 shares, including M. H. Berlin and Arnold Berlin, executive vice president, who propose to sell 20,070 and 16,145 shares, respectively (of 133,792 and 51,736 shares owned, respectively).

**SECURITIES ACT REGISTRATIONS. Effective September 27: Bradford Speed Packaging & Development Corp. (File 2-21593).**

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

---000000---