

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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COLUMBIA GAS SERVICE SEEKS ORDER. Columbia Gas System Service Corporation, New York subsidiary service company of The Columbia Gas System, Inc., has applied to the SEC for an order under the Holding Company Act that the Commission make permanent its order dated September 14, 1962, temporarily approving certain modifications of the organization and conduct of business of the Service Company; and the Commission has issued an order (Release 35-15024) giving interested persons until March 19th to request a hearing thereon.

EASTERN GAS ITEM CLARIFIED. The Commission's order under the Holding Company Act referred to in the News Digest of February 26th and involving the acquisition of stock of Eastern Gas and Fuel Associates stock by Jacob M. Kaplan, approved such acquisition (instead of exempting it).

FLORIDA POWER PROPOSES OFFERING. Florida Power & Light Company, Ingraham Bldg., Miami, filed a registration statement (File 2-22104) with the SEC on February 27 seeking registration of \$35,000,000 of First Mortgage Bonds, Series due 1994, to be offered for public sale at competitive bidding. Net proceeds will be used to pay some \$28,000,000 due on construction contracts upon completion of the company's Port Everglades Plant Unit No. 3 of which approximately \$3,000,000 is included in the 1964 construction program and to repay short-term borrowings of \$7,000,000 used for general corporate purposes. The company's 1964 construction program is estimated at \$85,000,000. In addition to indebtedness and preferred stock, the company has outstanding 13,600,000 common shares, of which management officials own 17,821 shares. McGregor Smith is board chairman and Robert H. Fite president.

TENN-FLAKE FILES FOR RIGHTS OFFERING. Tenn-Flake Corporation, Morristown, Tenn., filed a registration statement (File 2-22106) with the SEC on February 27 seeking registration of 251,801 shares of common capital stock. It is proposed to offer 201,793 shares to holders of outstanding common stock and of outstanding 6% convertible subordinated debentures of record at the close of business February 7, 1964. Such holders will be entitled to purchase common shares at the rate of 2-3/10 shares for each common share then held, and 2-3/10 shares for each share that each debenture holder would be entitled to have upon conversion. The subscription price is \$4 per share; and shares not sold pursuant to the exercise of subscription rights will be offered for public sale at the same price. No underwriting is involved. If at least \$700,000 is not raised within six months, the entire sales price will be refunded. The company has reserved the remaining 50,008 shares for the conversion of its outstanding 6% convertible subordinated debentures.

The company manufactures reaggregate wood panels known as flake board, used principally in furniture manufacturing and prefabricated houses and for flooring, sub-roofing, shelving, cabinets and doors. Net proceeds of this offering will be used for plant improvements (\$273,500) and for additional working capital (\$523,672). Some of the latter funds will be used to pay a part of the cost of additional production facilities. Organized in April 1960, the company now has outstanding \$28,576 of the debentures and 47,730 shares of stock. Lester Popkin, one of the original incorporators, is president. Members of his family own some 15% of the outstanding stock and management officials as a group 24%.

EAGLE-PICHER FILES STOCK PLAN. The Eagle-Picher Company, 1100 The American Bldg., Cincinnati, filed a registration statement (File 2-22105) with the SEC on February 27 seeking registration of 35,000 shares of its common capital stock, to be offered pursuant to its 1964 Employees' Stock Purchase Plan.

HORIZON LAND FILES FOR RIGHTS OFFERING. Horizon Land Corporation, P. O. Box #5128, Tucson, Ariz., filed a registration statement (File 2-22107) with the SEC on February 27 seeking registration of \$1,500,000 of ten-year 7% Subordinated Convertible Debentures due 1974 and warrants to purchase 300,000 shares of common stock. It is proposed to offer these securities for sale in units consisting of \$100 of debentures and 20 common shares, and at \$100 per unit. The units will be offered initially for subscription by common stockholders at the rate of 1 unit for each 100 shares held. Ross, Lyon & Co., Inc., of 41 East 42d St., New York, will undertake on a best efforts basis to find purchasers of unsubscribed units for a period of thirty days from the expiration date of the subscription offer. In lieu of a cash selling commission, the company will issue and sell 7,500 common shares to the underwriter for \$750 (and will also pay it \$5,000 for expenses). These shares are included in the registration statement.

Also included in the registration statement are 372,631 outstanding shares of common stock and 57,500 warrants for the purchase of 74,601 shares, which shares may be offered for sale from time to time by the holders thereof. Of the 1,445,910 outstanding shares, 300,000 are said to have been issued pursuant to a "Regulation A" public offering at \$1 per share and 331,106 were issued as stock dividends. The remaining 814,804 shares were issued pursuant to claimed exemptions from the Securities Act registration requirement (including the 372,631 shares referred to above). The prospectus lists 45 holders of the 372,631 shares, who propose to sell amounts ranging from 625 to 70,807 shares.

OVER

The company was organized in May 1959. Its principal business is the acquisition of large tracts of unimproved land for the purpose of development and subsequent resale in the form of subdivided lots, commercial and industrial sites, and bulk sales. Smaller tracts of unimproved land are also acquired or held from time to time for investment and or resale in bulk. To a limited extent, the company has also engaged in home building. Since its inception, operations have been confined to the states of Arizona, New Mexico and Texas, where most of the company's unimproved tracts consist of essentially southwestern desert type acreage covered with low vegetation or grazing lands. Net proceeds of the sale of units by the company will be applied, in part, to the payment of some \$1,050,000 of bank loans outstanding on February 1, 1964, and \$100,000 of notes becoming due on July 1, 1964. The balance will be added to general funds of the company and used for such corporate purposes as management may determine. The prospectus lists Irving Geist as board chairman and Joseph Timan as president. Management officials own 27.35% of the outstanding stock.

WHITESTONE 1964 PROGRAM PROPOSES OFFERING. Whitestone 1964 Program Corporation, 20 Broad St., New York, filed a registration statement (File 2-22108) with the SEC on February 27 seeking registration of \$5,000,000 of participating interests in its 1964 Whitestone Program, to be offered for public sale in \$50,000 units. Participants in the program will bear all costs and other expenses incident to the Program's oil exploration and other activities. The company will receive an amount equal to 2% of all moneys expended under the program; and it also will receive, after Program Payout, a 25% interest in the properties acquired by the participants under the Program. The company proposes to conduct activities in the States of Louisiana, Texas, Oklahoma, Kansas, Colorado, Utah, Montana, New Mexico and Wyoming. Its parent, Whitestone Petroleum Corporation, will be utilized to screen prospects and to negotiate farmouts or other deals relating to the Program. George F. Clements, Jr., is president of the company.

REPORTING BY REAL ESTATE COMPANIES MODIFIED. The SEC today announced the adoption of amended rules governing the filing of quarterly reports by certain real estate companies pursuant to Sections 13 and 15(d) of the Securities Exchange Act (Release 34-7246). The amended rules require the filing of quarterly reports on Form 7-K by real estate investment trusts and by real estate companies which as a matter of policy or practice make distribution to shareholders from sources other than current or retained earnings. Other real estate companies are required to file reports with respect to quarters in which a distribution is made from a source other than current or retained earnings. The amended rules provide for the filing of reports not more than 60 days after the end of the fiscal quarter to which they relate except that the report for the last quarter of the fiscal year shall be filed not more than 120 days after the close of the fiscal year. Prior to the amendment the quarterly reports were required to be filed within 45 days after the close of the quarter. The extension of the period for filing reports for the first three quarters should provide adequate opportunity for the collection of information called for by the report by issuers holding numerous properties. The extension of the period for filing the report for the fourth quarter should provide opportunity for reflecting in the information reported any year-end adjustments made in connection with the annual audit of the issuer's accounts or otherwise.

Form 7-K has been amended to eliminate the two column reporting previously required and to clarify the language of the items. In particular, the form has been amplified to provide directions for treatment of minority interests, mortgages received on the sale of property and businesses acquired during the period covered by the report.

HERMAN MORITZ, CHAS. FINCH, OTHERS ENJOINED. The SEC Seattle Regional Office announced February 26 (LR-2851) the entry of a Federal court order permanently enjoining further violations of the Securities Act registration and anti-fraud provisions in the sale of American Molybdenum Corp. stock by Herman F. Moritz, of Albany, Ore., and Charles A. Finch, Donald W. Finch, Edwin D. Finch and Leon P. Finch of Salt Lake City. The defendants consented to the court order.

ALLEN-PITT SECURITIES REGISTRATION CANCELLED. The SEC has cancelled the broker-dealer registration of Allen-Pitt Securities Company, of Allentown, Pa. According to the cancellation order, the firm has been expelled from membership in the National Association of Securities Dealers, Inc., its registration as a broker-dealer with the Pennsylvania Securities Commission has been revoked, and the firm is no longer engaged in the securities business.

UNLISTED TRADING. The SEC has granted requests of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stocks of Sherwin-Williams Company and G. D. Searle & Company and it has issued an order giving interested persons until March 13th to request a hearing upon an application of said exchange for such privileges in the common stock of Tektronix, Inc. (Release 34-7256).

FRANCIS BRENEK SENTENCED. The SEC Seattle Regional Office announced February 24 (LR-2852) that Francis J. Brenek, of Seattle, received an 18-month sentence following his conviction of furnishing the Commission false financial information concerning Francis J. Brenek & Co., Inc., a registered broker-dealer.

SECURITIES ACT REGISTRATIONS. Effective February 27: Computer Control Company, Inc. (File Nos. File 2-22022 & 22023). Effective February 28: Applied Technology, Inc. (File 2-22072); The Potomac Edison Co. (File 2-22024).