

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 December 10, 1965

NEW JERSEY P&L SEEKS ORDER. New Jersey Power & Light Company, Morristown, N. J., public-utility subsidiary of General Public Utilities Corp., has applied to the SEC for an order under the Holding Company Act authorizing it to sell to New Jersey Bell Telephone Company ("Telco"), a non-associate company, 4,400 electric distribution wood poles and 2,059 appurtenant anchor plates and rods, in place, for a cash consideration equal to the depreciated original cost of such property as of December 31, 1965, estimated at \$309,316. The Commission has issued an order (Release 35-15360) giving interested persons until January 5 to request a hearing thereon. It is stated that poles of the nature of those involved in the sale are used jointly by New Jersey P&L and Telco to reduce overall investment and improve service; that at the present time, New Jersey P&L owns approximately 8,800 more joint-use poles than does Telco; and that the proposed sale will eliminate that difference.

POWDRELL & ALEXANDER SEEKS ORDER. Powdrell & Alexander, Inc., P. O. Box "E", Boca Raton, Fla., has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company as defined in the Act; and the Commission has issued an order (Release IC-4436) giving interested persons until December 28 to request a hearing thereon. The applicant represents that its outstanding securities are beneficially owned by not more than 100 persons and that it is not making, and does not propose to make, a public offering of its securities.

NASSAU PHYSICIANS GUILD INVESTING SEEKS ORDER. Nassau Physicians Guild Investing Company, Inc., 1200 Stewart Ave., Garden City, Long Island, N. Y., has applied to the SEC for an exemption order under the Investment Company Act permitting the surviving company of a proposed merger involving the applicant's investment adviser to serve in such capacity from January 1, 1966, the date of the proposed merger, until a new investment advisory agreement is submitted for shareholder approval at the applicant's annual stockholders' meeting on March 15, 1966. The Commission has issued an order (Release IC-4437) giving interested persons until December 29 to request a hearing thereon. According to the application, the company's investment adviser, Standard & Poor's Corporation ("Old S&P") intends to merge with McGraw-Hill, Inc. The surviving corporation, McGraw-Hill, will transfer the business of Old S&P to a newly formed subsidiary, which will also bear the name of Standard & Poor's Corporation and will continue with that company's present management, personnel, policies and business.

FIRST SOUTHERN CO. RECEIVES EXEMPTION. The SEC has issued an order under the Securities Exchange Act granting an application of First Southern Company, Greensboro, N. C., from the registration requirements of Section 12(g) of the Act. According to the application, First Southern is in the process of liquidating its business and affairs, and as of May 31, 1965, substantially all of its assets had been exchanged for 184,881 shares of common stock of Liberty Loan Corporation. First Southern's stock transfer records were closed on June 8, 1965, and it does not contemplate that there will be any further meetings of its shareholders.

ROBERT C. KERR ENJOINED. The SEC Boston Regional Office announced December 8 (LR-3389) the entry of a Federal court order (USDC, Mass.) preliminarily enjoining Robert C. Kerr, sole proprietor doing business as Robert C. Kerr & Co. (a registered broker-dealer) from further violations of the anti-fraud and net capital provisions of the Securities Exchange Act. Kerr consented to the preliminary injunction.

WABASH RAILROAD RECEIVES ORDER. The SEC has issued an order under the Securities Exchange Act granting an application of the Wabash Railroad Company, St. Louis, Mo., for exemption from provisions of Section 14(c) of the Act for and in connection with any annual or other meeting of the stockholders of Wabash at which the only actions to be taken are the election of directors and/or such other action as does not affect the interest of the holders of the preferred stock of Wabash. Section 14(c) provides that if a company subject to the Commission's proxy rules does not in fact solicit proxies, it shall nevertheless file with the Commission and distribute to shareholders "information substantially equivalent to the information which would be required to be transmitted if a solicitation were made..."

According to the application, the company has outstanding 311,067 shares of 4 $\frac{1}{2}$ % preferred stock, which shares are listed on the New York Stock Exchange. As of December 31, 1964, The Pennsylvania Railroad Company owned 62.12% of the Wabash preferred and 99.51% of the 598,186 outstanding common shares, constituting 86.72% of the total stock voting rights of Wabash. The exemption order is to be effective for the duration of an 8-year lease (dated October 16, 1964) of Wabash's properties to Norfolk and Western Railway Company. The Interstate Commerce Commission has approved an agreement between Pennsylvania Railroad and Norfolk and Western providing that Norfolk and Western will acquire from Pennsylvania Railroad all of its holdings of the Wabash common on or before the expiration of the first six years of the lease. Under the agreement, Norfolk and Western has the right to require Wabash to call its preferred stock for redemption or to offer Wabash securities in exchange for the said preferred.

OVER

MFG. PROFITS UP. The SEC and the Federal Trade Commission announce (for December 12th Newspapers) that sales of U. S. manufacturing corporations in the third quarter of 1965 totaled \$121.5 billion, 10 percent higher than in the corresponding quarter of 1964. Profits after taxes amounted to \$6.6 billion, 16 percent above the comparable period of last year. The 1965 third quarter totals for sales and profits were lower by 2 percent and 9 percent, respectively, than in the second quarter of this year. These declines were largely seasonal in nature. After allowance for seasonal influences, third quarter sales appear to be somewhat improved over the second quarter and profits were maintained at the same high rates achieved in the first and second quarters of this year.

After tax-earnings per dollar of sales amounted to 5.4 cents in the July-September quarter of 1965 compared with 5.1 cents in the same period of last year. The rate of profit on stockholders' equity was 12.3 percent in the third quarter as against 11.2 percent in the comparable period of 1964. In the first nine months of 1965, manufacturers' sales totaled \$360.3 billion, 10 percent above the same period of 1964. After-tax profits amounted to \$20 billion, 18 percent more than in the first nine months of last year. These gains were widespread among both durable and nondurable goods industries with durable goods reporting somewhat larger increases than nondurable goods firms. (For further details, see Stat. Release 2094).

PINAL COUNTY DEVELOPMENT SUSPENSION CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending exchange and over-the-counter trading in bonds of Pinal County Development Association for a further ten-day period, December 11-20, 1965, inclusive.

CONTINENTAL VENDING SUSPENSION CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Continental Vending Corporation for a further ten-day period, December 13-22, 1965, inclusive.

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

File No.	Registrant	Location
1974	Allied Finance Co	Dallas, Texas
1967	Colorcraft Corp.	Durham, N.C.
1955	Dixie Dinettes, Inc.	Richmond, Va.
1954	Fostoria Glass Co.	Moundville, West Va.
1964	Gulf Union Corp.	Baton Rouge, La.
1976	Inland Western Loan & Finance Corp	Phoenix, Ariz.
1971	Key Windsor, Inc.	New Bedford, Mass.
1963	Mayfair Super Markets, Inc.	Elizabeth, N.J.
1970	National Oats Co.	Louis, Ill.
1953	J. Hungerford Smith Co.	Victor, N.Y.
1975	Terry Industries, Inc.	Long Island City, N.Y.
1957	Uptown Inns, Inc.	Huntington, West Va.
1966	Vegas Village Shopping Corp.	Las Vegas, Nevada

NEW YORK TELEPHONE PROPOSES BOND OFFERING. New York Telephone Company, 140 West St., New York, today filed a registration statement (File 2-24304) with the SEC seeking registration of \$100,000,000 of refunding mortgage bonds, series P, due 2006. The bonds are to be offered for public sale at competitive bidding. Net proceeds of the sale of bonds will be applied by the company to the repayment of borrowings (expected to approximate \$260,000,000 at the time the proceeds are received), which were incurred for general corporate purposes, including extensions, additions and improvements to its plant. The company also proposes to sell to its parent, the American Telephone and Telegraph Co., an additional \$200,000,000 common stock.

SECURITIES ACT REGISTRATIONS. Effective December 9: Missouri National Life Insurance Co., 2-24077 (Jan 19); Registered Exchange Fund, Inc., 2-22620.
Effective December 10: Kusan, Inc., 2-24124 (90 days).
Withdrawn December 9: American Motor Inns, Inc., 2-22895.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

ORAL ARGUMENT, COMING WEEK. December 15 - 2:30 P. M. - Fibercraft Products Corp.

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