

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 February 10, 1961

T. E. EIKER EMPLOYMENT CLEARED. In a decision announced today (Release 34-6468), the Commission granted an application of the National Association of Securities Dealers, Inc., for continuance in membership of a firm employing Taylor Etheridge Eiker as a registered representative. In August 1942 the NASD expelled Eiker, then doing business as T. E. Eiker & Co., Washington, D. C., for violation of its Rules of Fair Practice in charging excessive markups in the sale of oil royalties. Thereafter, Eiker continued in business as a broker-dealer until 1956, confining his activities to securities other than oil royalties. In 1956 he withdrew from SEC registration to devote his full time to other business. It is now proposed that Eiker would be employed as a salesman under the direct supervision of the manager of the employing firm. He would have no managerial responsibilities and would limit his sales activities to investment company shares until he is registered with the New York Exchange, after which he would offer customers only those securities recommended by the firm and at markups consistent with the policy of the employing firm. The NASD recommended that the Commission approve the continuance of the firm in membership. Under the circumstances, including the period of time which has elapsed since the expulsion and the proposal that Eiker act solely as salesman, under supervision, with markups limited by firm policy, the Commission concluded that the NASD application may be approved.

VIVA COMPANY FILES FOR OFFERING. Viva Company, 157 West 57th Street, N. Y., filed a registration statement (File 2-17576) with the SEC on February 8, 1961, seeking registration of \$350,000 of limited partnership shares, to be offered for public sale in \$7,000 units by Theodore Mann and Allen B. Whitehead, as general partners. No underwriting is involved.

The partnership is to be formed by the general partners, and Frank Productions, Inc. as promoter. Frank Loesser is the sole stockholder of Frank Productions, Inc. The partnership proposes to produce the dramatico-musical play presently entitled "VIVA". It will be an adaption of the screenplay "Viva Villa" written by Ben Hecht from a literary work of the same title by O. B. Stade and Edgcomb Pinchon. Harold Karr is writing the music and Matt Dubey the lyrics. Pursuant to an agreement between the authors and Loew's Incorporated, the authors acquired the right to write and cause the musical to be produced; Loew's approved the selection of Mann and Frank Productions (of which Whitehead is president) as producers and Loew's has certain royalty option and other rights. The cost of opening the production is estimated at \$350,000, the amount of this offering. The aggregate limited contributions entitle those so contributing to 50% of the net profits; thus the limited partners will be entitled to share in the net profits of the partnership at the rate of 1% of such net profits for every \$7,000 contributed. The general partners will be entitled to receive the other 50% of the remaining net profits for which they will make no cash contribution. As management fee, Mann and Whitehead, collectively, may receive 1% of the gross weekly receipts of the original company for the first 12 weeks. The authors of the musical will have a vested interest in the motion picture, television, radio and other rights of the musical, subject to certain conditions, including an option of Loew's to purchase the motion picture rights for from \$100,000 to \$300,000.

SOUTHWESTERN PUBLIC SERVICE SHARES IN REGISTRATION. Southwestern Public Service Company, 720 Mercantile Dallas Bldg., Dallas, Texas, filed a registration statement (File 2-17578) with the SEC on February 9, 1961, seeking registration of \$15,000,000 of First Mortgage Bonds due 1991 and 120,000 shares of cumulative preferred stock, \$25 par to be offered for public sale through underwriters headed by Dillon, Read & Co. Inc. The interest rate on the bonds, dividend rate on the preferred stock, and public offering price and underwriting terms for both issues are to be supplied by amendment.

The net proceeds from the sale of bonds and preferred stock will be applied in part to the payment in full of bank loans (expected to be about \$14,500,000) obtained for the construction of additions and improvements to properties, and the balance toward the payment of further costs of additions and improvements. The company's construction program contemplates the expenditure of about \$21,952,000 for the 1961 fiscal year and about \$17,105,000 for the 1962 fiscal year.

PLASTICS CORP. OF AMERICA SHARES IN REGISTRATION. Plastics Corporation of America, Inc., 1234 Baker Bldg., Minneapolis, Minn., filed a registration statement (File 2-17577) with the SEC on February 9, 1961, seeking registration of 800,000 shares of common stock, of which 650,000 shares are to be first offered in exchange for outstanding 5% notes on the basis of one share for each \$1 principal amount of 5% note. The remaining 150,000 shares, together with any of the 650,000 shares not issued in exchange, will be offered for public sale at \$1 per share. No underwriting is involved.

The company was organized under Minnesota law in November 1960 by a group of Minneapolis businessmen for the purpose of providing a vehicle for the acquisition of companies engaged in business in the fields of plastics, rubber and related materials. To date, the only such acquisition has been the purchase of the capital stock of Moxness Products, Inc., of Racine, Wisc. About 50.2% of the latter's stock has been pledged to secure payment of the company's notes outstanding in the principal amount of \$650,000. The company proposes

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to retire the notes by the exchange offer of the 650,000 shares or through the use of the proceeds from the sale of shares. Any excess of proceeds will be used to open a plant in the Minneapolis-St. Paul area to manufacture plastic and rubber products, and to make funds available to provide working capital to other companies in which the company may acquire an equity interest.

In addition to certain indebtedness, the company has outstanding 364,628 common shares, of which Sven K. Moxness, president, owns 32.3%, Eivind Moxness 25.4% and management officials as a group 43.6%.

JOS. F. WHALEN JR. SENTENCED. The SEC Boston Regional Office announced February 6 (Release LR-1910) that Joseph F. Whalen, Jr., of Worcester, Mass., has been sentenced to one year's imprisonment on his plea of guilty to charges of defrauding customers of duPont, Homsey & Co.

KNICKERBOCKER FUND PROPOSES OFFERING. The Knickerbocker Fund, 20 Exchange Place, New York, filed a registration statement (File 2-17579) with the SEC on February 9, 1961, seeking registration of 500,000 shares of beneficial interest in the Fund.

ATLANTIC CITY ELECTRIC PROPOSES BOND OFFERING. Atlantic City Electric Company, 1600 Pacific Ave., Atlantic City, N. J., today filed a registration statement (File 2-17581) with the SEC seeking registration of \$10,000,000 of first mortgage bonds due 1991, to be offered for public sale at competitive bidding.

The net proceeds from the bond sale will be applied to the prepayment, of all outstanding notes payable to banks (\$1,900,000 principal amount) issued for construction purposes and to pay for part of the cost of the 1961 construction program, estimated to be \$22,770,000. It is estimated that to complete this program the company may need about \$7,300,000 in addition to such proceeds and the company's present cash reserves and cash to be accumulated currently through provisions for depreciation and amortization and through retention of earnings. Additional financing may include short-term bank loans.

EFFECTIVE SECURITIES ACT REGISTRATIONS: February 10: The Tampa Bay Citrus Group (File 2-17008); Crumpton Builders, Inc. (File 2-17305); McGraw-Hill Publishing Company, Inc. (File 2-17421). Registration withdrawn, February 10: Altamil Corp. (File 2-17350).

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