

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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MCA FILES EXCHANGE PLAN. MCA Inc., 9370 Santa Monica Blvd., Beverly Hills, Calif., filed a registration statement (File 2-19633) with the SEC on January 12th seeking registration of 165,000 shares of common stock. It is proposed to offer all or part of such stock to Kenneth King and Harold Taft in exchange for outstanding permanent stock (5,000 shares) of Columbia Savings & Loan Association, of Denver. King and Taft may sell such MCA shares from time to time on the New York Stock Exchange at the prevailing market prices at the time of sale.

The company is engaged in the production of television film series including, among others, "Jack Benny Show," "Checkmate," "G.E. Theatre" and "Wagon Train." The Association is engaged in the business of lending money, principally secured by first liens against real estate, to enable homeowners to purchase, construct, improve, or refinance real property. In addition to preferred stock, the company has outstanding 4,040,735 shares of common stock, of which Jules C. Stein, board chairman, and Lew R. Wasserman, president, own 34.65% and 17.47%, respectively, and management officials as a group 69.77%.

MAUL BROS. FILES FOR OFFERING AND SECONDARY. Maul Bros. Inc., 111 South 15th Street, Millville, N. J., filed a registration statement (File 2-19634) with the SEC on January 15, 1962 seeking registration of 100,000 shares of common stock, of which 60,000 shares are to be offered for public sale by the company and 40,000 shares, being outstanding stock, by the holders thereof. The offering will be made on an all or none basis through underwriters headed by Kidder, Peabody & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company manufactures certain component parts and accessory equipment for machines used in the manufacture of glass containers and provides repair and engineering services to the glass container manufacturing industry. Of the net proceeds from the company's sale of additional stock, \$101,250 will be used to discharge the existing mortgage on the company's plant and equipment in Millville, N. J.; \$350,000 to repay short term bank loans incurred since June 1961 (of which approximately \$75,000 was applied to the purchase price of land for a new plant in California and the remainder was added to working capital); approximately \$125,000 to construct, and to purchase additional equipment for a new plant in California; and approximately \$75,000 to purchase capital equipment. The remainder will be available to meet the increased working capital needs and for additional capital expenditures which may be incurred in the future.

In addition to certain indebtedness, the company has outstanding 644,984 shares of common stock (after giving effect to a share-for-share distribution in December 1961), of which Clarence A. Maul, Jr., president, Ronald J. Dunn, and Gordon Oakley, own 381,252 (57.4%), 1,350 and 5,450 shares, respectively, and propose to sell 38,300, 1,350 and 350 shares, respectively. The shares being sold by Dunn and Oakley are a portion of the 17,930 shares (as adjusted for said stock distribution) issued by the company in September 1961 in exchange for all the stock of Oneida Machine Tool Corp.

JOHN A. DENIE'S SONS FILES FOR STOCK OFFERING. John A. Denie's Sons Co., 373 Adams Avenue, Memphis, Tenn., filed a registration statement (File 2-19635) with the SEC on January 15th seeking registration of 200,000 shares of common stock, to be offered for public sale through underwriters headed by M. A. Saunders & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company (formerly FAB Corporation) was organized under Tennessee law in October 1961 to acquire the major assets of Moss Enterprises, Inc. (called John A. Denie's Sons Company prior to the sale of such assets) for a purchase price of \$4,645,624. The company intends to carry on the business of the predecessor which was the purchase, manufacture, sale and, to a limited extent, the application, of various building materials largely in the area of Memphis, Tenn. The net proceeds from the stock sale will be used to the extent necessary to discharge the demand notes held by the Union Planters National Bank of Memphis (\$1,850,000) representing borrowings made or to be made to finance the purchase of said assets and the balance, if any, for working capital. The purchase price will be paid in part by a \$2,430,000 chattel trust deed note. The principal underwriter and F. Allan Brown arranged the purchase of said assets from the predecessor and the formation of the company. The prospectus states that neither Robert M. Saunders, controlling stockholder of the underwriter, nor Brown intends to be active in the management of the company. Morrie A. Moss, president of the company and owner of 82% of the outstanding stock of the predecessor, will remain temporarily in the capacity of president, but it is anticipated that the executive management functions will be performed largely by Robert R. Milner, chairman of the executive committee, and William A. Barclay, secretary-treasurer, as the sole members of the executive committee. In addition to certain indebtedness, the company has outstanding 20,000 shares of common stock purchased in equal amounts at \$2 per share by the underwriter and Brown.

THOMASVILLE FURNITURE INDUSTRIES FILES FOR SECONDARY. Thomasville Furniture Industries, Inc., 401 East Main Street, Thomasville, N. C., today filed a registration statement (File 2-19636) with the SEC seeking registration of 343,551 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Hornblower & Weeks. The public offering price and underwriting terms are to be supplied by amendment.

OVER

The company (formerly Thomasville Chair Company) manufactures bedroom, dining room and living room furniture, including a broad range of correlated groups or "collections" of furniture of both traditional and contemporary design. It has outstanding 1,158,750 shares of common stock, of which Tom A. Finch, president, Ernestine Lambeth Finch Mobley (Finch's mother) and Doak Finch, board chairman, own 152,960, 135,000 and 129,500 shares, respectively. They propose to sell 37,460, 35,000 and 24,000 shares, respectively. Mrs. Mobley is the income beneficiary for life of a trust under the will of T. A. Finch, which owns 115,499 shares and proposes to sell 38,500 shares. The prospectus lists 14 other selling stockholders who propose to sell amounts ranging from 192 to 36,900 shares. The selling stockholders own an aggregate of 965,802 shares.

INTRASYSTEM SALES PROPOSED BY G.P.U. New Jersey Power & Light Company and Jersey Central Power & Light Company, Morristown, N. J., subsidiaries of General Public Utilities Corporation, New York holding company, have joined in the filing of a proposal with the SEC under the Holding Company Act with respect to the transfer of certain properties by New Jersey Power to Jersey Central Power; and the Commission has issued an order (Release 35-14561) giving interested persons until January 29th to request a hearing thereon. The properties, which are to be transferred for a consideration of \$2,763,799 (plus a certain adjustment), are designated (1) the Longwood Valley pumped storage project, (2) the Portland-Greystone-Whippany 230 Kv transmission line right-of-way, (3) the Portland-Franklin 115 Kv transmission line right-of-way, (4) the Franklin Montville 115 Kv transmission line right-of-way, and (5) one-third of the West Wharton-Roseland right-of-way.

CITIES SERVICE FEE PAYMENTS APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14562) authorizing Cities Service Company of New York to pay fees of \$6,000 to Joseph S. Gruss and \$100 (plus \$250 of expenses) to Paul F. Moore for services rendered in connection with the proceedings involving the elimination of the minority interest in Arkansas Fuel Oil Corporation through the payment to the public stockholders of that company of \$41 in cash per share, or a total of \$75,577,186.

KINGSPORT UTILITIES PROPOSES STOCK SALE. The SEC has issued an order under the Holding Company Act (Release 35-14563) giving interested persons until February 1st to request a hearing upon a proposal filed by Kingsport Utilities, Inc., Roanoke, Va., and its parent, American Electric Power Company, Inc., New York holding company, for the sale by Kingsport to American during 1962 of an additional 55,600 shares of Kingsport common at \$10 per share. The proceeds will be used by Kingsport for its construction program.

NATIONAL MERCANTILE CLEARING HOUSE OFFERING SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed public offering of stock by National Mercantile Clearing House, Inc., of Miami, Fla.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed October 23, 1961, National Mercantile proposed the public offering of 75,000 common shares at \$4 per share. In its suspension order the Commission asserts that it has "reasonable cause to believe" that certain terms and conditions of the regulation were not complied with; that National Mercantile's offering circular is false and misleading in respect of certain material facts; and that the stock offering would violate the anti-fraud provisions of the Act. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

According to the Commission's order, National Mercantile's offering circular (1) fails to disclose the manner and extent to which the stock to be offered for public sale will be diluted due to issuer's financial condition and its issuance of stock to insiders at prices substantially lower than the public offering price; (2) overstates the number of full-time employees; (3) falsely describes certain letters as "letters of recommendation of satisfactory use and merit" and fails to disclose their true nature; and (4) contains financial statements which are false and misleading, including a substantial overstatement of sales and profits for the eight months ended August 31, 1961.

SECURITIES ACT REGISTRATIONS. Effective January 15: West Coast Telephone Company (File 2-19439). Effective January 16: Emac Data Processing Corp. (File 2-18856); Family Circle Associates, Inc. (File 2-18812); The Garret Corp. (File 2-19496); Savin Business Machines Corp. (File 2-19021); Swift Homes, Inc. (File 2-18903); Texas Power & Light Co. (File 2-19952). Withdrawn January 16: Capital Research Industries, Inc. (File 2-18401).