

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)

FOR RELEASE May 17, 1962

CONSOLIDATED EDISON PROPOSES BOND OFFERING. Consolidated Edison Company of New York, Inc., 4 Irving Place, New York, filed a registration statement (File 2-20376) with the SEC on May 16th seeking registration of \$100,000,000 of first and refunding mortgage bonds due 1992 (series V), to be offered for public sale at competitive bidding. The net proceeds from the bond sale, together with other funds, will be applied to the company's construction program, estimated at \$1,160 million for the years 1962-66.

RAM TOOL PROPOSES DEBENTURE OFFERING. Ram Tool Corporation, 411 North Claremont Avenue, Chicago, filed a registration statement (File 2-20377) with the SEC on May 16th seeking registration of \$800,000 of 6½% subordinated debentures due 1972 (with perpetual warrants to purchase an aggregate of 100,000 common shares), to be offered for public sale through underwriters headed by Aetna Securities Corp., 111 Broadway, New York, and Cantor, Fitzgerald & Co., Inc., 232 N. Canon Drive, Beverly Hills, Calif. The public offering price and underwriting terms are to be supplied by amendment. Each purchaser of a \$1,000 debenture will receive 500 warrants to purchase 125 common shares (at a price per share to be supplied by amendment).

The company is engaged in the manufacture and sale of electrically powered tools and hand garden tools. Of the net proceeds from the debenture sale, \$350,000 will be used to retire notes payable to banks, and the balance will be added to general funds and used as working capital to carry accounts receivable and inventories. In addition to certain indebtedness, the company has outstanding 750,000 shares of common stock, of which management officials as a group own 44%. John Cutrone is president.

BELL & HOWELL FILES STOCK PLANS. Bell & Howell Company, 7100 McCormick Road, Chicago, filed a registration statement (File 2-20378) with the SEC on May 16th seeking registration of 179,510 shares of common stock and 9,000 shares of 4½% cumulative convertible preferred stock (\$50 par), to be offered pursuant to its Restricted Stock Option Plans.

COURTESY PRODUCTS FILES FOR STOCK OFFERING. Courtesy Products Corporation, 1411 Palm Street, San Diego, Calif., filed a registration statement (File 2-20379) with the SEC on May 16th seeking registration of 150,000 shares of common stock, to be offered for public sale by Pacific Coast Securities Company, 240 Montgomery St., San Francisco. The public offering price (maximum \$5 per share*) and underwriting terms are to be supplied by amendment. The statement also includes 15,000 shares underlying 3-year warrants issued to the underwriter, exercisable at the public offering price.

The company (formerly Morning Coffee, Inc.) is engaged primarily in the business of manufacturing and selling or leasing to hotels and motels electric wall units permitting guests to prepare coffee in their rooms, and of selling coffee, tea, cocoa, sugar, cream substitute and other incidental supplies. It recently entered the general wholesale hotel and restaurant supply business and the business of manufacturing and selling or leasing an electric liquor dispensing unit for installation in bars. Of the net proceeds from the stock sale, \$100,000 will be used to pay a bank loan incurred to purchase and remodel the company's new plant and office building, \$100,000 to provide additional capital to a subsidiary to permit it to purchase parts, acquire labor and overhead, and provide for its general operating capital, and the balance to permit said subsidiary to make the final payment in connection with its purchase of a certain patent, patents pending and other rights, to purchase and install machinery for packaging coffee serving ingredients and other varieties of food products, and for general corporate purposes including carrying of larger inventories, carrying of accounts receivable, and financing leases of coffee serving equipment and portable bars.

In addition to certain indebtedness, the company has outstanding 600,000 shares of common stock, of which Charles H. Brown, president, and his wife, own 23.5%, and management officials as a group 27.5%.

GRACE & CO. FILES STOCK PLANS. W. R. Grace & Co., 7 Hanover Square, New York, filed a registration statement (File 2-20380) with the SEC on May 16th seeking registration of 828,798 shares of common stock, to be offered pursuant to its 1953 and 1956 Stock Option Plans.

MUTUAL FUND STUDY QUESTIONNAIRE ISSUED. The SEC Special Study of Securities Markets announced today that a questionnaire (IC-1) has been mailed to about 50 open-end investment companies (Release SMS-10). The purpose of the questionnaire is to obtain facts relating to the policies and practices of investment companies and affiliated persons respecting the use of investment advisory or research information supplied to such companies. Each investment company receiving the questionnaire and its investment adviser and principal underwriter are asked to describe their policies respecting the use of investment advisory or research information supplied to the fund or the use of information concerning prospective or actual portfolio transactions, and their procedures and experience in enforcing such policies. In addition, the investment company is requested to give a summary of its portfolio transactions in a specified period and to supply the names of persons holding certain specified positions with it or related firms during the period. After receipt of this information, the Special Study intends to inquire on a sample basis as to transactions of such persons in the securities which were involved in the investment company's portfolio transactions.

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NEES RIGHTS OFFERING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-14639) authorizing New England Electric System, Boston holding company, to issue and sell 872,786 common shares pursuant to a rights offering to shareholders on a one for fifteen basis. The offering will be underwritten pursuant to competitive bidding. Net proceeds will be applied to the construction program of NEES subsidiaries, either through loans or the purchase of additional shares of their capital stocks; and any balance will be used for general corporate purposes.

VINCENT ASSOCIATES REGISTRATION REVOKED. In an order announced today (Release 34-6806), the SEC revoked the broker-dealer registration of Vincent Associates, Ltd., of 217 Broadway, New York City, because of violations of the anti-fraud and other provisions of the Federal securities laws. Vincent Agostino, president and principal stockholder, and his wife, Diana Agostino, secretary-treasurer, were each found to be a cause of the revocation. They failed to appear at the hearing.

According to the Commission's order, Associates, together with or aided and abetted by its president, in connection with a 1961 underwriting of stock of Consolidated Marine Industries, Inc., sold Consolidated shares to public investors and received payment therefor but, despite repeated demands, failed to deliver the certificates to certain customers until February 1962; and in one instance Associates neither delivered the certificates nor returned the customer's payment, and a refund check sent in March 1962 was not paid because of insufficient funds. In addition, Associates, aided and abetted by Agostino and Mrs. Agostino, violated the Commission's record-keeping requirements by failing to keep current certain books and records, as required. In March 1962 Associates was enjoined (on SEC complaint) from the conduct of a securities business until and unless it made its books and records available for Commission inspection.

SCHWEICKART HEARING POSTPONED. The SEC has authorized a postponement from May 23 to June 25, 1962, of the hearing in proceedings under the Securities Exchange Act to determine whether certain sanctions of that Act should be imposed against Schweickart & Co., of 29 Broadway, New York City. The postponement was requested in order to allow the parties additional time to prepare a factual stipulation which will constitute the record of the proceeding.

MOTORS BLDG. REALTY SEEKS ORDER. Motors Building Realty Company, New York City, has applied to the SEC for an order pursuant to Rule 15d-20 under the Securities Exchange Act of 1934, exempting said company from the requirements of Section 15(d) of the Act to file annual and other periodic reports with the Commission; and the Commission has issued an order giving interested persons until May 29, 1962, to request a hearing thereon.

According to the application, Glickman Corporation owns 97.7% of the 1,156 outstanding limited partnership units of Motors Building Realty, and the remainder is held by some 24 investors. Glickman also owns all of the outstanding general partnership interests in Motors Building Realty.

ADR'S FOR INTERSTATE OIL FILED. Chemical Bank New York Trust Company filed a registration statement (File 2-20381) with the SEC on May 16th seeking registration of 50,000 American Depositary Receipts for Ordinary Shares of Interstate Oil Limited, of Australia.

SECURITIES ACT REGISTRATIONS. Effective May 17: Cascade Natural Gas Corp. (File 2-20259); Giant Tiger Stores, Inc. (File 2-19881); Gibraltar Financial Corp. of California (File 2-20331); M C A, Inc. (File 2-20248); National Steel Corp. (File 2-20281); Regal-Meadows, Inc. (File 2-20003); Star Tank and Boat Co., Inc. (File 2-19845); Technical Animations, Inc. (File 2-19408). Withdrawn May 17: Eldre Components, Inc. (File 2-19745); Continental Investment Corp. (File 2-19584); Bowling Internazionale, Ltd. (File 2-18449).

*As estimated for purposes of computing the registration fee.

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