

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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A brief summary of financial proposals filed with and actions by the S.E.C.

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FOR RELEASE March 1, 1966

**CLARK EQUIPMENT RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4526) exempting Clark Equipment Overseas Finance Corp., Buchanan, Mich., subsidiary of Clark Equipment Co., from all provisions of the Act, subject to certain conditions. The subsidiary was recently organized to provide assistance in improving the balance of payments position of the United States, in compliance with the voluntary cooperation program instituted by President Johnson in February 1965, while at the same time continuing the foreign expansion and development of the parent company. As reported in the SEC News Digest of February 15, the subsidiary proposes to sell an aggregate of \$15,000,000 of its guaranteed debentures, due 1981, to a group of underwriters for offering abroad.

**SOUTHERN CO. RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-15415) authorizing certain financing proposals by The Southern Co., Atlanta, Ga., registered holding company, and its subsidiaries, Alabama Power Co., Georgia Power Co., and Mississippi Power Co. According to the application, Southern Co. proposes to issue \$18,000,000 of unsecured promissory notes to banks and to use the proceeds thereof (together with treasury funds) to acquire additional common stock of the subsidiaries. In addition, Georgia and Mississippi propose to issue up to \$45,000,000 and \$10,000,000, respectively, of unsecured promissory notes to banks. The subsidiaries will use the net proceeds of this financing in connection with their construction programs or for other corporate purposes.

**GLENDELL RAY KEY INDICTED.** The SEC Fort Worth Regional Office announced February 21 (LR-3440) the return of an indictment by a grand jury at Fort Worth charging Glendell Ray Key, of Fort Worth, with theft over \$50, theft by bailee and embezzlement. The activities giving rise to the charges involved securities transactions amounting to several thousand dollars. Key has not been apprehended. The indictment followed an SEC investigation and the reference of Commission files to the state prosecuting authorities in Fort Worth.

**SEC ENTERS CHAPTER X CASE.** The SEC has filed notice of appearance in the Chapter X proceedings for the reorganization of Imperial "400" National, Inc., and eight subsidiaries and affiliated companies, which proceedings are pending in the Federal court in Newark, N. J. The Debtors are engaged in the business of developing and operating on a co-ownership basis a chain of motels under the name of "Imperial '400' Motels." At the time of the prior Chapter XI proceeding there were 115 motels in operation, and 14 more were in various stages of construction in about 38 states. A balance sheet of Imperial, its subsidiaries and affiliates, as at June 3, 1965, prepared without verification by the receiver's accountant, showed total assets of \$30.6 million and liabilities of \$25.5 million. The assets included \$18.7 million representing the valuation of interests in motel partnerships, \$6 million of motel construction costs in progress, and \$2.9 million of land and other fixed assets. Liabilities included mortgages and contracts payable of about \$18 million, and contingent liabilities on the co-owners' portion of the mortgages amount to over \$6 million. Liabilities also included \$994,000 principal amount of 6-1/2% convertible subordinated 15-year debentures held by public investors. Imperial, the parent company, has outstanding \$190,000 par value of 6.6% cumulative preferred stock held by 38 persons (including officers and directors), and 1,087,722 shares of common stock, of which 34% is owned by about 850 public investors.

**SELAMA-DINDINGS PLANTATIONS RECEIVES ORDER.** The SEC has issued an order under the Investment Company Act (Release IC-4528) declaring that Selama-Dindings Plantations, Ltd., Chicago, Ill., is primarily engaged, through The Cincinnati Union Stock Yard Co. ("Stockyard Co.") as a controlled company, in the business other than that of investing, reinvesting, owning, holding or trading in securities and declaring that Selama has ceased to be an investment company as defined in the Act. The application states that at the annual meeting of shareholders of Selama in 1964 a resolution was adopted approving the change in Selama's business from an investment company to that of a company principally engaged in the ownership or operation of livestock yards and the ownership development and/or operation of various real estate interests. Stockyard Co. is engaged in the handling and sale of cattle and other animals and owns 34 acres of land in Cincinnati. Selama intends to retain its holdings in Stockyard Co. and to participate actively in its management and operations, as well as the development of Stockyard Co.'s real estate.

**BROGDON INDICTED.** The SEC Seattle Regional Office announced February 25 (LR-3441) the return of an indictment (USDC, Ore.) charging Ray S. Brogdon of Eugene, Ore., d/b/a Investors Service Co., with violations of the anti-fraud provisions of the Federal securities laws in transactions with customers, and of making false statements in violation of 18 U.S.C. 1001. Brogdon is presently in custody as a result of a complaint filed on February 14. Bail was set at \$50,000.

**PIONEER DEVELOPMENT CORP., OTHERS ENJOINED.** The SEC Seattle Regional Office announced February 28 (LR-3442) the entry of a Federal court order (USDC, WD Wash.) enjoining Pioneer Development Corp., Zabel and Potter, Inc. (both Washington corporations), Leslie M. Potter, Oscar A. Zabel, and Leslie C. Potter from further violations of the Securities Act anti-fraud provisions in the sale of 7% "guaranteed participating preferred stock" of Pioneer Development Corp., a Seattle-based construction company. The order was entered pursuant to consents of the defendants.

**HILO ELECTRIC PROPOSES RIGHTS OFFERING.** Hilo Electric Light Company, Limited, 1200 Kilauea Ave., Hilo, Hawaii, filed a registration statement (File 2-24550) with the SEC on February 25 seeking registration of 63,000 shares of common stock. Of such stock, 57,750 shares are to be offered for subscription by common stockholders at the rate of one new share for each eight shares held on April 5, 1966, and the remaining 5,250 shares (and any shares not subscribed for by stockholders) are to be offered for subscription by company employees. Any remaining unsubscribed shares are to be offered for public sale at the prevailing market price (\$33 per share maximum\*). According to the prospectus, The First Securities Co. of Hilo, Ltd., 58-64 Keawe St., Hilo, Hawaii and The Realty Investment Co., Ltd., will act as dealers for the offering to the company's employees and to the public. They will receive a \$.45-per-share selling commission for each share subscribed for by employees. The commissions with respect to the public offering are subject to negotiation between the company and the two firms.

The company is a public utility primarily engaged in selling electricity on the Island of Hawaii. Net proceeds of its stock sale will be used to repay interim bank loans of \$1,800,000, which were incurred to finance capital additions of the company. In addition to indebtedness, the company has outstanding 462,000 common shares, of which management officials own 10.6%. William H. Hill is president.

**WARNER BROS. CO. PROPOSES OFFERING.** The Warner Brothers Company, 350 Lafayette St., Bridgeport, Conn. 06602, filed a registration statement (File 2-24551) with the SEC on February 25 seeking registration of 200,000 shares of common stock. The stock is to be offered for public sale through underwriters headed by Lehman Brothers, One William St., New York 10004. The offering price (\$45 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged principally in the design, manufacture and sale of foundation garments, sportswear and men's shirts. Of the net proceeds of its stock sale (together with \$7,200,000 from proposed note sales), \$1,075,000 will be used to repay short-term indebtedness. The balance will be used to repay other indebtedness incurred to provide funds for general corporate purposes (which indebtedness aggregated \$13,000,000 at February 24) and to provide funds for property additions and additional working capital. In addition to indebtedness and preferred stock, the company has outstanding 1,147,593 common shares, of which management officials own 20.6%. John Field is board chairman and John W. Field is president.

**MERIDIAN LIFE FILES FOR OFFERING.** Meridian Life Insurance Company, 2955 N. Meridian St., Indianapolis, Ind. 46207, filed a registration statement (File 2-24552) with the SEC on February 28 seeking registration of 73,490 shares of Class "A" common stock. The stock is to be offered for public sale through underwriters headed by Indianapolis Bond and Share Corporation, 120 E. Market St., Indianapolis, Ind. The public offering price (\$15 per share maximum\*) and underwriting terms are to be supplied by amendment.

Organized under Indiana law in March 1965, the company writes life and disability insurance in that State. Net proceeds of its sale of stock will be added to general funds and used in the conduct of such business. The company has outstanding 76,510 Class A and 2,000 Class B common shares. Of the Class A stock, Meridian Mutual Insurance Co. purchased 76,500 shares (representing 51% of the outstanding Class A stock after sale of the shares being registered) at \$15 per share. Company directors own the outstanding Class B stock, as qualifying shares. Carl M. Russell is president of the company.

**BALTIMORE GAS AND ELECTRIC FILES STOCK PLAN.** Baltimore Gas and Electric Company, Gas and Electric Bldg., Lexington and Liberty Sts., Baltimore, Md. 21203, filed a registration statement (File 2-24553) with the SEC on February 28 seeking registration of 200,000 shares of common stock, to be offered pursuant to its Employees' Stock Purchase Plan of 1966.

**BLACK AND DECKER MFG. FILES STOCK PLAN.** The Black and Decker Manufacturing Company, Towson, Md. 21204, filed a registration statement (File 2-24559) with the SEC on February 28 seeking registration of 50,000 shares of common stock, to be offered under its Employees Stock Purchase Plan.

**PAT FASHIONS INDUSTRIES FILES FOR OFFERING AND SECONDARY.** Pat Fashions Industries, Inc., 1370 Broadway, New York, filed a registration statement (File 2-24556) with the SEC on February 28 seeking registration of 185,000 shares of common stock. Of such stock, 156,250 shares are to be offered for public sale by the company and 31,250 shares (being outstanding stock) by the present holders thereof. The offering is to be made through Newburger, Loeb & Co., 5 Hanover Sq., New York. The public offering price (\$8 per share maximum\*) and underwriting terms are to be supplied by amendment.

Organized under New York law in February 1966, the company succeeded to the business of producing, importing and selling at wholesale a range of ladies' blouses and sportswear and children's and infants' apparel in the popular-price field. Of the net proceeds of its sale of additional stock, \$130,000 will be used to purchase the remaining 50% stock interest in Valerie Fashions, Inc. (the company presently owns 50%); \$190,000 will be used to pay certain indebtedness; and the balance will be added to working funds to be used for general corporate purposes. In addition to indebtedness, the company has outstanding 468,750 common shares, all of which were issued in exchange for the company's business. Management officials own 92.7% of such stock (including 36.4% owned by Sol Cooper, president). The selling stockholders are Cooper, offering 20,833 of 170,676 shares held; and Abraham Breitbart (executive vice president), 10,417 of 139,759.

**LEAR JET PROPOSES OFFERING.** Lear Jet Corporation, 8220 W. Harry St., Wichita, Kans., filed a registration statement (File 2-24561) with the SEC on February 28 seeking registration of \$11,000,000 of 5½% convertible subordinated debentures (due 1981). The debentures are to be offered for public sale (at 100% of the principal amount) through underwriters headed by Van Alstyne, Noel & Co., 40 Wall St., New York 10005, which will receive a 4% commission.

The company manufactures aircraft, aircraft instruments and electronic assemblies. Of the net proceeds of its debenture sale, \$2,000,000 will be used to repay a loan; \$1,000,000 will be applied to reduce current

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accounts payable; and the balance will be used to finance increases in stereo accounts receivable and aircraft progress payments, to increase working capital, and for other corporate purposes. In addition to indebtedness, the company has outstanding 2,036,000 common shares, of which management officials own 63% (including 61% owned by William P. Lear, Sr., board chairman and president).

**UNITED STATES FREIGHT FILES STOCK PLAN.** United States Freight Company, 711 Third Ave., New York 10017, filed a registration statement (File 2-24563) with the SEC on February 28 seeking registration of 121,000 shares of capital stock, to be offered pursuant to its Restricted Stock Option Plan and 1965 Qualified Stock Option Plan.

**MARYLAND TELECOMMUNICATIONS FILES FOR OFFERING AND SECONDARY.** Maryland Telecommunications, Inc., York and Video Roads, Cockeysville, Md., filed a registration statement (File 2-24554) with the SEC on February 28 seeking registration of 145,000 shares of common stock. Of such stock, 125,000 shares are to be offered for public sale by the company and 20,000 shares (being outstanding stock) by the present holders thereof. Auchincloss, Parker & Redpath, 1705 H St., N. W., Washington, D. C., is listed as the principal underwriter. The public offering price (\$8.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is engaged in designing, engineering, developing, manufacturing and marketing "high resolution, low light level, television systems." Of the net proceeds of its stock sale, \$247,300 will be used to retire certain indebtedness; \$128,000 will be expended for plant expansion and equipment; and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 357,380 common shares, of which management officials own 82.6%. The selling stockholders are Frederick J. Beste, Jr., president, offering 10,000 of 155,910 shares held; and William F. Jacob, Jr., vice president, 10,000 of 126,550.

**RECENT FORM 8-K FILINGS.** The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. The caption of the items are as follows:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Legal Proceedings.
- Item 4. Changes in Securities.
- Item 5. Changes in Security for Registered Securities.
- Item 6. Defaults upon Senior Securities.
- Item 7. Increase in Amount of Securities Outstanding.
- Item 8. Decrease in Amount of Securities Outstanding.
- Item 9. Options to Purchase Securities.
- Item 10. Revaluation of Assets or Restatement of Capital Share Account.
- Item 11. Submission of Matters to a Vote of Security Holders.
- Item 12. Other Materially Important Events.
- Item 13. Financial Statements and Exhibits.

Copies of the reports may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with requested material when mailed.

Adler Electronics Inc Feb 66(2,3,12,13)	2-17616-2	Continental Securities Corp Jan 66(7,12,13)	2-23494-2
Alco Standard Corp Jan 66(11,13)	0-107-2	Gridoil Freehold Leases Ltd Jan 66(3)	2-14731-2
Beneficial Finance Co Nov 65(2,7,9,10,13)	1-1177-2	Modern Homes Construction Co Jan 66(11)	0-127-2
Florida Properties Inc Jan 66(12,13)	0-492-2	Hamilton Management Corp Dec 65(1,13)	0-1628-2
Flying Tiger Line Inc Dec 65(7)	1-3673-2	Gabriel Industries Inc Dec 65(2,4,7,11,13)	2-20132-2
Layne & Bowler Pump Co Dec 63(4,7,13)	2-19508-2	Bell Electronic Corp Jan 66(7)	1-4660-2
Mill Factors Corp Jan 66(9,12,13)	1-4340-2	Electronic Communications Inc Jan 66(11)	1-3029-2
Coleco Industries Inc Jan 66(2,13)	0-477-2	Executive House Inc Jan 66(2,13)	0-1665-2
ABC Industries Inc Jan 66(12)	2-18152-2	Great Plains Life Ins Co Jan 66(12)	2-14541-2
Ragen Precision Industries Inc Jan 66(11)	2-18823-2	Martinall Industries Inc Jan 66(3,13)	2-5489-2
Tidewater Marine Service Inc Jan 66(7,10,13)	0-1604-2	H K Porter Co Inc Jan 66(3,13)	1-4157-2
Greenfield Real Estate Investment Trust Jan 66(11)	0-161-2		

Pauley Petroleum Inc Jan 66(3)	0-52-2	Atlas Chemical Industries Inc Aug 65(7)	1-177-2
Sunshine Mining Co Nov 65(7)	1-678-2	Jan 66(7,12,13)	1-177-2
DPA Inc Jan 66(7,13)	2-23115-2	Morris Homes Corp Jan 66(11)	2-18048-2
Chattanooga Gas Co Jan 66(12,13)	0-49-2	Opelika Mfg Corp Jan 65(12)	1-4160-2
Dragor Shipping Corp Jan 66(2,13)	0-191-2	West Virginia Pulp & Paper Co Jan 66(3,13)	1-3031-2
Husky Oil Co Jan 66(7,13)	0-664-2	Western Power & Gas Co Inc Jan 66(7,13)	0-954-2
Mohawk Airlines Inc Jan 66(7,12)	1-4198-2	De Marco Business Forms Inc Jan 66(7,8)	2-18978-2
National Motor Inn Corp Jan 66(7)	0-305-2	Ero Mfg Co Jan 66(12)	1-3936-2
Alabama Power Co Jan 66(11,13)	1-3164-2	Florida Steel Corp Jan 66(9,11,13)	0-68-2
Allen Electric & Equipment Co Jan 66(7,8)	1-2884-2	Modine Mfg Co Feb 66(12)	1-1373-2
Gisholt Corp Feb 66(7,10,13)	0-1149-2	Ward Foods Inc Jan 66(2,4,13)	1-1042-2
Flying Tiger Line Inc Jan 66(7)	1-3673-2	Houblein Inc Nov 65(2,4,7,11,13)	1-4661-2
Holly Oil Co Jan 66(12)	1-4343-2	Fueblo Supermarkets Inc Jan 66(2,7,12)	1-5160-2
Layne & Bowler Pump Co Jan 66(1,13)	2-19508-2	Suburban Propane Gas Corp Dec 65(3)	1-4401-2
Lockwood Grader Corp Jan 66(1,12)	2-17561-2	Canadian Homestead Oils Ltd Oct 65(2,11,13)	1-3663-2
Pacific Northwest Bell Tel Co Jan 66(3)	1-4511-2	Renwell Industries Inc Jan 66(11)	0-924-2
Pathe Industries Inc Jan 66(1,12)	0-1441-2	Scott Industries Inc Jan 66(11)	0-1080-2
Southwest Indemnity & Life Ins Co March 65(11,13)	2-16349-2	Sola Basic Industries Inc Jan 66(2,8)	1-343-2
A M Byers Co Feb 66(11,13)	1-384-2	Supervised Investors Services Inc Jan 66(11)	0-167-2
Monsanto Co Dec 65(7,13)	1-2516-2	Bristol Dynamics Inc Jan 66(12)	0-1987-2
Perkin-Elmer Corp Jan 66(7,11,13)	1-4389-2	Capital Cities Broadcasting Corp Jan 66(7,11,13)	1-4278-2
Arizona Bancorporation Jan 66(7)	0-1099-2	Masco Corp Jan 66(3)	1-2736-2
Aurora Corp of Ill Dec 65(12)	0-1737-2	Roblin Steel Corp Dec 65(7,13)	0-767-2
Nov 65(2,13)	0-1737-2	Jan 66(7,8,13)	0-767-2
Central Illinois Electric & Gas Co Jan 66(13)	0-524-2	Alsido Inc Jan 66(11,13)	1-4576-2
U S Rubber Co Jan 66(7,11,13)	1-62-2	Bridgeport Gas Co Dec 65(12,13)	0-1225-2
		Tappan Co Jan 66(4,7,13)	0-1607-2

**SECURITIES ACT REGISTRATIONS.** Effective February 28: Louisiana Power & Light Co., 2-24429.  
Effective March 1: Clark Equipment Overseas Finance Corp., 2-24491 (90 days); Super Stores, Inc., 2-24460 (May 29).

**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.

\*As estimated for purposes of computing the registration fee.