

# 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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Washington 25, D.C.

FOR RELEASE March 18, 1959

## ELJO OIL SUSPENSION BECOMES PERMANENT

The Securities and Exchange Commission has cancelled the hearing scheduled for March 23, 1959, in its Los Angeles Branch Office on the question whether to vacate, or make permanent, an earlier order of the Commission temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public stock offering by Eljo Oil & Mining Corporation, of Las Vegas, Nevada. The suspension of the exemption thus becomes permanent.

In its suspension order (Release 33-4016), issued January 12, 1959, the Commission asserted among other things that Eljo Oil's offering circular is false and misleading in respect of certain material facts, particularly with respect to (1) the acquisition of new properties and (2) the use of the proceeds of the stock sale.

## GENERAL ELECTRIC FILES STOCK OPTION PLAN

General Electric Company, 1 River Road, Schenectady, N. Y., filed a registration statement (File 2-14840) with the SEC on March 17, 1959, seeking registration of 900,000 additional shares of Common Stock, for offering under the General Electric 1958 Stock Option Plan, plus those shares under the 1953 Plan, previously registered for which options had not been granted at April 21, 1958 or for which options granted have been or will be forfeited under the provisions of said Plan. A total of 3,322,421 shares of General Electric common are offered to key employees of the company and its subsidiaries who may from time to time hold options granted under the General Electric 1958 Stock Option Plan and the General Electric Stock Option Plan. These shares represent the remainder of the original 5,100,000 shares made available under the Plans, after reduction on account of the 1,177,579 shares purchased by options holders through February 19, 1959.

## MERGENTHALER LINOTYPE FILES FOR OFFERING AND EMPLOYEE STOCK PLAN

Mergenthaler Linotype Company, 29 Ryerson St., Brooklyn, N. Y., filed a registration statement (File 2-14839) with the SEC on March 17, 1959, seeking registration of 116,541 shares of Capital Stock, to be offered for subscription by stockholders at the rate of one new share for each four shares held of record April 6, 1959. The subscription price is to be supplied by amendment. An additional 29,900 shares covered by the registration statement are being or will be offered pursuant to the company's Employee Stock Option Plan.

Net proceeds of the stock sale will be added to the general funds of the company and will be available for such corporate purposes as the management may determine. All or a substantial portion of the funds will be used to finance the manufacture, sale and lease of Linofilm equipment or for the purchase of common shares of The Electric Auto-Lite Company, of Toledo.

The company's new linofilm system is said to be electronically operated, and consists of several units which, in combination, comprise a comprehensive photocomposition system. The first customer deliveries of commercial linofilm machines are expected to be made in the spring of 1959. Auto-Lite is principally engaged in the manufacture and sale of automotive electrical equipment and other automotive parts. At March 15, 1959, the company owned 261,500 out of a total of 1,569,457 outstanding shares of Auto-Lite common, acquired at a cost of \$9,194,932. Gurdon W. Wattles is board chairman of the company as well as of Auto-Lite.

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For further details, call ST. 3-7600, ext. 5526

## BROCKTON EDISON PROPOSES STOCK OFFERING

Brockton Edison Company, Brockton, Mass., subsidiary of Eastern Utilities Associates, has applied to the SEC under the Holding Company Act for an order authorizing its sale at competitive bidding of 40,000 additional shares of \$50 par cumulative preferred stock; and the Commission has issued an order (Release 35-13953) giving interested persons until April 6, 1959, to request a hearing thereon. Net proceeds of the stock sale will be used by Brockton Edison to prepay part or all of its short-term bank loans, amounting to \$2,300,000 at December 31, 1958. The borrowings were used for the acquisition of securities of Montaup Electric Company, a subsidiary, and for construction purposes.

## ELFUN TRUSTS SEEKS REGISTRATION OF ADDITIONAL SECURITIES

Elfun Trusts, 570 Lexington Ave., New York, filed a registration statement (File 2-14841) with the SEC on March 17, 1959, seeking registration of an additional 150,000 of Trustees' Certificates aggregating \$5,949,765 in amount.

## MIDWEST TECHNICAL DEVELOPMENT FILES FOR OFFERING

Midwest Technical Development Corporation, 1404 Northwestern Bank Building, Minneapolis, filed a registration statement (File 2-14842) with the SEC on March 17, 1959, seeking registration of 400,000 shares of common stock. The company as well as several broker-dealer firms with whom it has entered into a selling agreement will offer the shares for public sale at \$3.75 a share, the dealers to receive a sales commission of 8%.

The company was organized in October 1958 for the primary purpose of seeking out and acting upon investment opportunities in young or new companies working on the technological forefront, according to the prospectus. A registered investment company, its principal objective is said to be capital appreciation and long-term capital gains. It is expected that in excess of 25% of the value of the company's assets will be invested in a single industry, most probably electronics and chemicals.

The prospectus lists A. J. Ryden, Jr., as president. Management officials on December 31, 1958, owned 17,500 shares (28.4%) of its outstanding stock.

## MICHIGAN CONSOLIDATED GAS STOCK SALE CLEARED

The SEC has issued an order under the Holding Company Act (Release 35-13954) authorizing Michigan Consolidated Gas Company, Detroit, subsidiary of American Natural Gas Company, to issue and sell an additional 500,000 shares of its common stock to the parent for a cash consideration of \$7,000,000. The funds are to be used by Michigan Consolidated to finance part of its \$34,000,000 construction program for 1959.

## NATURAL GAS PIPELINE OF AMERICA PROPOSES BOND OFFERING

Natural Gas Pipeline Company of America, 122 South Michigan Ave., Chicago, today filed a registration statement (File 2-14843) with the SEC seeking registration of \$20,000,000 of First Mortgage Pipeline Bonds, Series due 1979, to be offered for public sale through an underwriting group headed by Dillon, Read & Co., Inc., and Halsey, Stuart & Co., Inc. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the sale of the bonds, with treasury funds to the extent needed, will be utilized to pay off \$20,000,000 of bank loans out of a total of \$25,000,000 of loans outstanding. The company proposes to exercise an existing option to extend the maturity of the remaining \$5,000,000 of bank loans to December 31, 1959. The bank loan indebtedness was incurred for the purpose of temporarily financing a portion of the cost of now completed additions to the company's property.

**CORRECTION.** The application for unlisted trading privileges in the common stock of The Ohio Brass Company, referred to in the SEC News Digest of March 13, 1959, was filed by the American Stock Exchange, not the Boston Stock Exchange.