

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 June 10, 1963

Statistical Release No. 1905. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended June 7, 1963, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1963 is as follows:

	1957-59 = 100		Percent Change	1963	
	6/7/63	5/31/63		High	Low
Composite	143.2	144.1	-0.6	144.1	130.6
Manufacturing	134.5	135.4	-0.7	135.4	121.1
Durable Goods	132.2	133.3	-0.8	133.3	116.2
Non-Durable Goods	136.8	137.5	-0.5	138.6	125.8
Transportation	126.2	127.6	-1.1	127.6	106.4
Utility	178.6	179.6	-0.6	181.4	170.3
Trade, Finance & Service	170.7	171.1	-0.2	171.6	153.8
Mining	124.8*	124.7	0.1	124.8	104.2

*New High

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended June 6, 1963, 11 registration statements were filed, 16 became effective, 2 were withdrawn, and 317 were pending at the week-end.

HITACHI FILES FOR STOCK OFFERING. Hitachi, Ltd. (Kabushiki Kaisha Hitachi Seisakusho), Tokyo, filed a registration statement (File 2-21475) with the SEC on June 7 seeking registration of 75,000,000 shares of common stock to be offered for public sale through underwriters headed by Dillon, Read & Co., Inc., 46 William St., and Yamaichi Securities Co. of New York, Inc., 111 Broadway, both of New York. The public offering price (maximum 30¢ per share*) and underwriting terms are to be supplied by amendment. The underwriters will deliver to purchasers of the common shares American Depositary Receipts in denominations of from one to 100 American Depositary Shares, each representing 80 common shares of the company deposited in Tokyo.

The company is engaged primarily in the development, manufacture and sale of a wide variety of products used in the generation, transmission, distribution, control and utilization of electricity. The net proceeds from the stock sale, together with other funds, will be used to meet construction expenditures or for other corporate purposes. It is estimated that during 1964 capital expenditures in connection with the company's improvement and expansion program will be \$56,300,000. In addition to various indebtedness, the company has outstanding 1,500,000,000 shares of common stock, of which management officials as a group own less than 1%. Chikara Kurata is board chairman and Kenichiro Komai is president.

ADR'S FOR HITACHI FILED. First National City Bank, of New York, filed a registration statement (File 2-21476) with the SEC on June 7 seeking registration of 200,000 American Depositary Receipts for common stock of Hitachi, Ltd., of Tokyo, Japan.

JAPAN FUND FILES FOR RIGHTS OFFERING. The Japan Fund, Inc., 25 Broad St., New York, filed a registration statement (File 2-21477) with the SEC on June 7 seeking registration of 625,000 shares of common stock. It is proposed to offer such stock for subscription by common stockholders at the rate of one share for each two shares held. Bache & Co., 36 Wall St., New York, and two other firms head the list of underwriters. The record date, subscription price (maximum \$14 per share*) and underwriting terms are to be supplied by amendment.

The Fund is a closed-end diversified investment company whose principal objective is the attainment of capital appreciation through investments primarily in common stocks of Japanese companies. The net proceeds from the stock sale will ultimately be used to make such investments; and initially the Fund may invest a portion thereof in short-term obligations of the United States, Japanese or other governments or other short-term prime obligations. The Fund has outstanding 1,250,000 shares of common stock, of which Bache & Co. holds of record about 9%. Robert L. Garner is president.

ARLAN'S DEPT. STORES FILES STOCK PLAN. Arlan's Dept. Stores, Inc., 350 Fifth Ave., New York, filed a registration statement (File 2-21478) with the SEC on June 7 seeking registration of 50,000 shares of common stock, to be offered pursuant to its Stock Option Plan.

SIERRA PACIFIC POWER FILES FINANCING PLAN. Sierra Pacific Power Company, 220 South Virginia St., Reno, Nev., filed a registration statement (File 2-21479) with the SEC on June 7 seeking registration of \$8,000,000 of debentures due 1988, to be offered for public sale at competitive bidding. The statement also includes 172,341 shares of common stock, to be offered for subscription by common stockholders at the rate of one share for each ten shares held on July 9, 1963. No underwriting is involved. The subscription price (maximum \$36 per share*) is to be supplied by amendment.

OVER

The company is a public utility engaged principally in the electric utility business in Nevada and California. It also renders water and gas service in and around Reno and Sparks, Nevada. Of the net proceeds from this financing, \$3,581,500 will be used to redeem \$3,340,000 of 5-5/8% debentures due 1985 (at 106.40% plus interest) and the balance to reduce some \$12,000,000 of outstanding bank loans incurred for construction purposes. Construction expenditures for 1963 are estimated at \$14,353,300. In addition to various indebtedness and preferred stock, the company has outstanding 1,723,402 shares of common stock, of which management officials as a group own 2.9%. Fred L. Fletcher is president.

STANDARD ACCIDENT INSURANCE RECEIVES ORDER. The SEC has issued an order under the Securities Exchange Act exempting Standard Accident Insurance Company, a Michigan company, from the duty to file annual and other periodic reports with the Commission. According to the order, the company has 492,626 capital shares outstanding, all but 2,124 of which are owned by Reliance Insurance Company. Of the 2,124 shares, 175 shares are held by 17 directors and 1,949 by 21 independent shareholders; and the company undertakes to supply the 21 holders, following the close of each fiscal year, with a consolidated balance sheet, consolidated profit and loss statement and a consolidated surplus statement of Reliance Insurance, showing separately the financial information with respect to Standard.

UNITED FUND EXEMPTED. The SEC has issued an order under the Investment Company Act (Release IC-3713) declaring that United Fund Income Series TI Trust, of Kansas City, Mo., has ceased to be an investment company.

AMERICAN NATURAL GAS SEEKS ORDER. American Natural Gas Company, New York registered holding company, and six subsidiaries, have applied to the SEC for an order under the Holding Company Act authorizing them to use a method of allocating the group's consolidated income tax liabilities which will give to each of the companies included therein the full investment credit each company contributes to the total investment credit allowed on the consolidated returns. The Commission has issued an order (Release 35-14892) giving interested persons until June 26, 1963 to request a hearing thereon. It is also proposed that one of the subsidiaries, American Natural Gas Production Company, which has heretofore never had any taxable income, will be given its investment credit in an amount not exceeding the amount of consolidated Federal income tax liability, if any, otherwise allocable to it.

COMPLAINTS CITES FLORIDA CITRUS INDUSTRIES, INC. The SEC Atlanta Regional Office announced June 4 (LR-2648) the filing of court action (USDC, SD, Fla.) seeking to enjoin Florida Citrus Industries, Inc., and its president, Alfred D. Van (both of Orlando, Fla.) from further violations of the Securities Act registration requirements in the offer and sale of units of orange grove properties coupled with contracts for maintaining the groves and harvesting and marketing the fruit to be derived therefrom.

DONALD F. MANLEY SENTENCED. The SEC Atlanta Regional Office announced June 4 (LR-2649) that Donald F. Manley was sentenced (USDC, EDSC) to two years in prison on his plea of guilty to an indictment charging fraudulent use of the mails in the offer and sale of stock of Truck Stops of America and National Enterprises, Inc. On motion of the Government, the first count of the indictment, involving fraud in the sale of securities by use of the mails, to which Manley had entered a not guilty plea, was dismissed.

JAMES MCMILLAN ENJOINED. The SEC New York Regional Office announced June 6 (LR-2650) the entry of a Federal court order (USDC, SDNY) permanently enjoining (upon default) James McMillan, of Van Nuys, Calif., vice president of Richard Woike & Company, Inc., from inducing further violations by his company of the Exchange Act registration and bookkeeping provisions.

SECURITIES ACT REGISTRATIONS. Effective June 7: Corning Glass Works (File 2-21391); Petroleum Associates Fund, Inc. (File 2-21219). Effective June 10: Bestwall Gypsum Co. (File 2-21352); Compass Funds, Inc. (File 2-21047); Southeastern Mortgage Investors Trust (File 2-21079).

*As estimated for purposes of computing the registration fee.

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