

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 August 4, 1960

BOSTON CAPITAL CORP. PROPOSES OFFERING. Boston Capital Corporation, 75 Federal St., Boston, Mass., filed a registration statement (File 2-16876) with the SEC on August 3, 1960, seeking registration of 1,500,000 shares of common stock, to be offered for public sale at \$15 per share through an underwriting group headed by Shearson, Hammill & Co., which will receive a commission of \$1.45 per share.

The company was organized under Massachusetts law on July 26, 1960, as a closed-end, non-diversified management investment company and is (or will be) licensed as a small business investment company under the Small Business Investment Act of 1958. Its primary objective will be investment for capital appreciation, and its business will consist of furnishing equity capital or making loans to small-business concerns and of providing such concerns with advisory and management counselling services. The company intends to invest in small-business concerns located in any area of the United States. Net proceeds of the stock sale will be used for the purposes indicated.

The prospectus lists John P. Chase as board chairman and Joseph W. Powell, Jr., as president. The company now has outstanding 25,000 common shares which were issued and sold at \$13.55 per share. Herman Galvin, a member of the company's Advisory Board, and Meyer J. Garber, Galvin's business associate, each owns 5,500 shares; Shearson, Hammill & Co. (of which Wendell B. Barnes, a director, is Senior Associate) owns 5,000 shares; and Brooks Walker, a member of the Advisory Board, owns 2,000 shares. Officers and directors of the company as a group own 4,800 shares.

ROBERT B. LARKIN APPREHENDED. The SEC Fort Worth Regional Office announced July 25th (LR-1741) that Robert B. Larkin of Shreveport, La., indicted by Federal Grand Jury on February 19, 1960, in Shreveport on charges of violating anti-fraud provisions of Securities Act and Mail Fraud Statute, was apprehended on July 25, 1960, in Glendale, Ariz., and held in lieu of \$10,000 bond.

ARKANSAS BUSINESS DEVELOPMENT ENJOINED. The SEC Fort Worth Regional Office announced August 2d (LR-1742) entry of Federal court order (USDC, ED Ark.) permanently enjoining Arkansas Business Development Corporation, Financial Security Corp., Alan C. Springer, Ed Worth Millwee and Hubert J. Crouch from further sale of the Development Corp. stock and other securities in violation of anti-fraud provisions of the Federal securities laws.

DUNCAN COFFEE FILES FOR OFFERING. Duncan Coffee Company, 1200 Carr Street, Houston, Texas, today filed a registration statement (File 2-16878) with the SEC seeking registration of 260,000 shares of capital stock, to be offered for public sale through a group of underwriters headed by Bear, Stearns & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company was organized in November 1959 as successor to Duncan Coffee Company which has operated since 1918. It is engaged primarily in importing, processing, packaging and distributing its own blended coffees marketed principally under the trade names 'Maryland Club' and 'Admiration'. It also engages in certain other marketing incidental to the coffee business and the processing and marketing of Duncan's tea. The net proceeds from the stock sale will be used in part to pay \$2,050,000 aggregate principal amount of senior subordinated debentures maturing on December 31, 1960, and the balance, together with the proceeds from the sale of the company's Magnolia Division plant, will be used to reduce the amount of then current outstanding trade acceptances of the company. The Magnolia Division plant, in Houston, is to be sold to the State of Texas for \$325,000. Under the agreement with the State, the company is permitted to retain possession of the plant without payment of rentals until August 1961.

In addition to certain indebtedness, the company has outstanding 740,000 shares of capital stock, of which Charles W. Duncan, Jr., president, owns 356,000 shares, and John H. Duncan, a director, owns 160,000 shares. The company's officers and directors as a group own 697,000 shares.

COURT ACTION NAMES STRAND INVESTMENT CO. The SEC Denver Regional Office announced August 1st (LR 1743) the filing of Federal court action (USDC, U.) seeking to enjoin Strand Investment Company, Salt Lake City, from further violations of SEC net capital rule. Temporary restraining order issued by court, which scheduled August 8th hearing on motion for preliminary injunction.

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For further details, call WOrth 3-5526