

MEMORANDUM

April 28, 1954

**To: Gerald J. O'Leary, Assistant Director
Division of Corporation Finance**

From: Ralph H. Demmler, Chairman

When I visited the Denver Regional Office on Monday, April 26, the question was raised as to what effect the Raiston-Purina case had on our interpretation of the public offering - private offering question.

Apparently the Denver office has changed prior practice by considering as "public" any offering to even a very small number of non-expert persons. I think I am correct in assuming that this change of signals was effected without any confirmation from the central office. I indicated in fairly strong terms that their interpretations were contrary to what I thought had been determined as the Commission's position on the subject. My understanding is that we had all agreed that from an administrative standpoint we should continue to take into consideration in determining the question, all relevant circumstances including number of offerees, etc., etc.

This is a subject which I think might receive some attention at the Regional Administrators' meeting next week.

**CC: Commissioners
General Counsel
Denver Regional Office**