

**NEWS DIGEST**

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



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**ZIPCO FILES FOR STOCK OFFERING.** Zipco Inc., Box 117, Uncasville, Conn., filed a registration statement (File 2-20755) with the SEC on September 26th seeking registration of 150,000 shares of common stock, to be offered for public sale (without underwriting) at \$5 per share. The statement also includes 175,000 shares which were sold by the company in August 1961 at \$2 per share (although not yet issued) to about 217 persons, of which 25 were original promoters of the company. According to the prospectus, the company has been informed by its counsel that such sales may have been made in violation of the Securities Act registration requirement, thus creating a possible contingent liability on the part of the company (if the shares are tendered for rescission) to return the purchase price plus interest. The prospectus further states that a group of 21 persons have agreed with the company that if it would make the offer to rescind the sale of the shares, they would together agree to purchase any and all of the shares offered for rescission at \$2 per share plus interest; and the company has further agreed that they may reoffer to the public at \$5 per share (subsequent to the sale of the new shares) all or part of the shares tendered to them for repurchase.

The company was organized in 1961 at which time it acquired all the assets of Zipper Corporation of America which had been organized in 1960 by Sam Nasser, president, for the purpose of acquiring and exploiting an exclusive license to manufacture and sell a recently developed nylon monofilament slide fastener (zipper) under patents held by a LYSTA A/A of Copenhagen, Denmark (LYSTA). The company has purchased a plant located at Uncasville, has renovated it, and has installed machinery and equipment manufactured by LYSTA, the personnel of which have trained the company's personnel in manufacturing techniques. The company has organized a sales force and has begun production of its products. Of the \$725,000 estimated net proceeds from the stock sale, \$300,000 will be used to purchase additional machinery, dies and other equipment, and the balance to repay first mortgages on real property (\$50,000), for advertising and promotional expenses, and for working capital.

In addition to certain indebtedness, the company has outstanding 817,000 shares of common stock, of which Nasser owns 180,000 shares and Joseph Nasser, treasurer, 90,000 shares. Management officials as a group own 388,000 shares. Of such outstanding stock, 540,000 shares were acquired by the promoters at a cost of \$101,000 and the assignment to the company of the license to manufacture and distribute the zipper. Assuming sale of the new stock, the promoters will have acquired 58.1% of the outstanding stock for a cash consideration equivalent to 8.7% of the total capital contribution made to the company. Sale of new stock to the public at \$5 per share (assuming no rescissions) will result in an increase in the book value of stock now outstanding from 60¢ to \$1.38 per share with a resulting dilution of \$3.62 per share in the book equity of stock purchased by the public.

**WESTERN EMPIRE REAL ESTATE INVESTMENTS FILES FOR STOCK OFFERING.** Western Empire Real Estate Investments, 1755 Gilpin St., Denver, Colo., filed a registration statement (File 2-20756) with the SEC on Sept. 26th seeking registration of 600,000 shares, to be offered for public sale (without underwriting) at \$4 per share.

The company is a business trust organized under Colorado law in August 1962. It is designed to offer investors an opportunity to participate jointly in large and diversified real estate investments in a manner not normally available to them individually; and it intends to qualify as a real estate investment trust under the Internal Revenue Code. The net proceeds from the sale of the shares will be used to acquire properties in areas which, in the opinion of the trustees, offer promise of growth and increased values. The Trust has retained Moore Realty Company of Denver, Colo. (owned by W. Max Moore and William M. Moore, two organizers of the Trust), which will serve as principal manager and operator of its properties. Organization was also initiated by Harold S. Tuft and four other trustees, who received 1,000 shares each in full consideration of services in originating and organizing the Trust. The Moores received 500 shares each.

**CONSO PRODUCTS FILES FOR STOCK OFFERING.** Conso Products, Inc., 27 West 23d St., New York, filed a registration statement (File 2-20757) with the SEC on September 27th seeking registration of 125,000 shares of common stock, to be offered for public sale through underwriters headed by H. Hentz & Co., 72 Wall St., New York. The public offering price (maximum \$10 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes 5,000 shares underlying 5-year warrants sold to the underwriter at 10¢ each, exercisable initially at 110% of the public offering price.

The company manufactures and distributes trimmings and accessories used in the home furnishings field, including sewing threads, fringes, braids, tapes, pleating materials and other fabrics; zippers and snap tapes and similar items; and curtain and drapery rods, hooks, weights and other related hardware items. The net proceeds from the stock sale, together with \$1,000,000 from the sale of a note to an insurance company, will be used for additional machinery (\$200,000) and for working capital, including additional inventories and receivables and the reduction (by \$1,000,000) of bank loans incurred for working capital purposes. In addition to certain indebtedness and preferred stock, the company has outstanding 377,817 shares of common stock, of which Affiliated Research, Inc. (Stamford, Conn.) owns 43.7%, Joseph Bernhard, president, 11.3% and management officials as a group 24%. Affiliated Research is owned by the issuing company's treasurer, Eli Freyberg, and his two brothers.

**DIXIE LIME AND STONE FILES FOR STOCK OFFERING.** Dixie Lime and Stone Company, 11 North Main St., Ocala, Fla., filed a registration statement (File 2-20758) with the SEC on September 27th seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by Courts & Co., 11 Marietta St., N. W., Atlanta, Ga. The public offering price (maximum \$6.75 per share\*) and underwriting terms are to be supplied by amendment.

The company was recently organized as a consolidation of three Florida and two Georgia companies and is engaged in the mining, processing and sale of crushed granite (used as aggregate, ballast and road material), lime rock (used in Florida highway construction and for road base materials) and agricultural limestone, and in the manufacture and sale of chemical lime. Of the net proceeds from the stock sale, \$500,000 will be used to retire bank indebtedness and the balance will be added to working capital. In addition to certain indebtedness, the company has outstanding 1,000,000 shares of common stock (issued pursuant to the consolidation), of which J. H. Williams, a director, owns 138,552 shares (13.8%), W. M. Palmer, president (together with his wife), 145,868 shares, and management officials as a group (and their immediate families) 624,054 shares (62.4%).

**PUBLIC SERVICE OF OKLAHOMA ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-14705) authorizing Public Service Company of Oklahoma, Tulsa public-utility subsidiary of Central and South West Corporation, a registered holding company, to redeem on Nov. 1, 1962, 50,000 of its authorized and outstanding shares of 4.65% preferred stock, \$100 par, at \$103.19 per share plus accrued dividends (aggregate of \$5,159,500).

**MICHIGAN CONSOLIDATED GAS SEEKS ORDER.** Michigan Consolidated Gas Company, Detroit gas utility subsidiary of American Natural Gas Company, a registered holding company, has applied to the SEC for an order under the Holding Company Act authorizing its sale to banks from time to time of up to \$12,000,000 face amount of unsecured promissory notes; and the Commission has issued an order (Release 35-14706) giving interested persons until October 29th to request a hearing thereon. According to the application, the company proposes to use the proceeds from the sale of the notes, together with treasury funds, to finance its 1962 construction program (estimated at \$30,866,000).

**JERSEY CENTRAL-NEW JERSEY POWER & LIGHT SEEK ORDER.** Jersey Central Power & Light Company and New Jersey Power & Light Company, both Morristown (New Jersey) public-utility subsidiary companies of General Public Utilities Corporation, registered holding company, have applied to the SEC for an order under the Holding Company Act authorizing the sale by Jersey Central Power to New Jersey Power of two power transformers for an aggregate of \$127,735 (net book value thereof based on original cost); and the Commission has issued an order (Release 35-14707) giving interested persons until October 18th to request a hearing thereon. According to the application, the transformers are not needed by Jersey Central Power and in 1961 were lent without cost to New Jersey Power which is presently using the equipment.

**TRADING BAN IN FIVE STOCKS CONTINUED.** The SEC has issued orders under the Securities Exchange Act suspending exchange and over-the-counter trading in the common stocks of Black Bear Industries, Inc., and E. L. Bruce Co. (Inc.); the common assessable stock of Industrial Enterprises, Inc.; and the common stocks of Precision Microwave Corp. and Prosper Oil and Mining Company, for a further ten-day period October 1-10, 1962, inclusive.

**INTERNATIONAL DATA SYSTEMS FILES FOR STOCK OFFERING.** International Data Systems, Inc., 2925 Merrell Road, Dallas, today filed a registration statement (File 2-20759) with the SEC seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by E. H. Austin & Co., 2115 National Bank of Commerce Bldg., San Antonio. The public offering price (maximum \$3.50 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes (1) 73,530 common shares underlying outstanding convertible notes (convertible at \$4 to \$4.50 per share), and (2) 144,984 shares to be offered pursuant to Employees' Restricted Stock Options.

The company is engaged in the research, development, design and manufacture of analog and digital electronic devices and in the rendering of consulting services incident thereto. Of the net proceeds from the stock sale, \$250,000 will be used to repay short-term bank loans incurred to finance inventory and accounts receivable, and the balance for working capital and general corporate purposes. In addition to certain indebtedness, the company has outstanding 315,016 shares of common stock (after giving effect to a recent 8-for-1 stock split), of which Charles W. Skelton, president, and Joe H. Smith, vice president, own over 9% each, and management officials as a group about 40%. Book value of stock now outstanding is 79¢ per share.

**ANTENNA SYSTEMS FILES FOR STOCK OFFERING.** Antenna Systems, Inc., 349 Lincoln St., Hingham, Mass., today filed a registration statement (File 2-20761) with the SEC seeking registration of 35,000 shares of common stock, to be offered for public sale at a price to be supplied by amendment (maximum \$30 per share\*). No underwriting is presently involved.

The company designs, manufactures, sells and installs large microwave antennas and antenna components. Such systems are used primarily for radar, scatter communication, missile and satellite tracking and radio astronomy applications. The net proceeds from the stock sale will be used to reduce short term bank loans incurred for working capital purposes, and for working funds to meet enlarged working capital requirements resulting from present sales level. In addition to certain indebtedness, the company has outstanding 116,996 shares of common stock, of which Charles W. Creaser, Jr., board chairman and president, and Walter W. VanderWolk, Jr., executive vice president, own over 11% each, and management officials as a group about 46%. Book value of stock now outstanding is \$3.41 per share.

**SECURITIES ACT REGISTRATIONS.** Effective September 27: Coburn Credit Co., Inc. (File 2-20653); International Pipe and Ceramics Corp. (File 2-20588); Interstate Department Stores, Inc. (File 2-20688). Effective September 28: Cousins Properties, Inc. (File 2-20111); Jerlee Products Corp. (File 2-20322).

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

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