

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington 25, D.C.

(In ordering full text of Releases from Publications Unit, cite number)

FOR RELEASE October 20, 1961

**BAL HARBOUR DIAGNOSTIC SERVICE FILES FOR STOCK OFFERING.** Bal Harbour Diagnostic Service, Inc., 10101 Collins Avenue, Bal Harbour, Fla., filed a registration statement (File 2-19159) with the SEC on October 18th seeking registration of 2,000,000 shares of common stock, to be offered for public sale at \$1 per share. The offering will be made on a best efforts basis by J. R. Holt and Company, which will receive a 15¢ per share selling commission. John R. Holt has received 150,000 shares for services.

The company was organized under Florida law in August 1961. It proposes to acquire the Bal Harbour Hotel, Bal Harbour, (Miami Beach) Fla., and to convert its facilities and operation to provide diagnostic facilities and services for the purposes of medical examinations for executives of corporations, high-salaried employees, airline pilots and such other persons who wish a complete health examination. The hotel will be purchased from Royal American, Inc., a Florida company not affiliated with the company, for \$2,500,000 (represented in part by a \$2,000,000 mortgage). The company has executed an escrow arrangement wherein it will escrow 80% of all the funds received from the stock sale until such time as there had been deposited \$700,000 which amount represents the minimum necessary to acquire title to the hotel and commence operation. Of the \$1,575,000 estimated net proceeds from the stock sale, \$500,000 will be used as initial down payment on the hotel, \$682,000 for working capital and miscellaneous expenses, \$125,000 for administrative costs, and the balance for certain other expenses including advertising, conversion of hotel rooms, salaries and medical staff fees and equipment purchases.

The company has outstanding 492,500 shares of common stock, of which John J. Mann, promoter and president, and John R. Holt own 49.7% and 30%, respectively; and management officials as a group 65.5%. Some 248,500 shares were issued to Mann for his option on the property; and 150,000 to Holt and others for service.

**CONCORS SUPPLY FILES FOR STOCK OFFERING.** Concors Supply Co., Inc., 110 "A" Street, Wilmington, Del., filed a registration statement (File 2-19161) with the SEC on October 19th seeking registration of 100,000 shares of Class A common stock, to be offered for public sale at \$4 per share. The offering will be made on an agency basis by Roth and Company, Inc., which will receive a 48¢ per share selling commission and \$18,000 for expenses. The registration statement also includes 12,500 Class A shares underlying five-year warrants to be sold to the underwriter for 1 mil each, exercisable at 50¢ per share at the rate of 5 shares for each 40 shares sold, and 5,000 shares underlying like warrants to be sold to Charles W. Lockyer as a finder's fee.

The company is engaged in the business of selling and distributing food service and kitchen supplies and equipment, and installing and equipping kitchens and cafeterias in schools, churches, restaurants, military installations, commercial establishments and wherever facilities are required for the purpose of mass or in-plant feeding. The \$306,000 estimated net proceeds from the stock sale will be used to purchase and install metal fabrication tools, machinery and equipment, leasehold improvements and additional equipment for the company's Contract Division, increase of inventories of supplies and equipment in the Wholesale Division and purchase of inventories of raw materials for metal fabrication, for retirement of an outstanding bank loan, and the balance will be added to general corporate funds and used as additional working capital and for other general corporate purposes.

In addition to certain indebtedness, the company has outstanding 9,250 Class A and 25,000 Class B common shares, all held in equal amounts by Arnold D. Concors, president, and Howard R. Goldstein, secretary-treasurer.

**FLORIDA PALM-AIRE FILES FOR STOCK AND RIGHTS OFFERING.** Florida Palm-Aire Corporation, 1790 North Federal Highway, Pompano Beach, Fla., filed a registration statement (File 2-19162) with the SEC on October 19th seeking registration of 463,000 shares of common stock. It is proposed to offer 310,000 shares for subscription by common stockholders at the rate of one share for each three shares held. The record date is to be supplied by amendment. The remaining 153,000 shares are to be offered for public sale at \$2 per share on a best efforts basis by Hardy & Co., which will receive a 5½¢ per share selling commission. The registration statement also includes 30,000 outstanding shares owned by Paul E. Fitzpatrick, and director and former board chairman, who proposes to sell such shares in the open market from time to time at current market prices.

The company is engaged in the purchase, development and sale of undeveloped real property and related activities, such as owning and operating a golf course and other recreational activities, owning and leasing a shopping center or centers, and arranging financing on property which it may develop itself or sell to others. Of the \$860,000 estimated net proceeds from the stock sale, \$175,000 will be used (with \$625,000 for which a financial commitment has been received) for construction of the Palm-Aire Shopping Center in Deerfield Beach, Broward County, \$120,000 for construction and development of a motel and swimming-pool at the Palm-Aire Country Club (the company's principal property, near Ft. Lauderdale), \$450,000 to reduce mortgage indebtedness on property, and the balance will be employed as additional working capital.

In addition to certain indebtedness, the company has outstanding 463,000 shares of common stock, of which Harold L. Broliar, president, and George O. Palmer, vice president (and three companies of which they are the stockholders), own an aggregate of 22.3%. Fitzpatrick proposes to sell 30,000 shares of 60,000 owned by him and members of his family.

**IRON FIREMAN MFG. FILES EXCHANGE PLAN.** Iron Fireman Manufacturing Company, 3170 West 106th Street, Cleveland, Ohio, filed a registration statement (File 2-19163) with the SEC on October 19th seeking registration of 44,000 shares of common stock. It is proposed to offer such shares in exchange for the 242,900 outstanding common shares of Warren Webster & Company, Inc. The exchange offer is subject to the conditions that 90% or more of the Webster shares be deposited for exchange and that certain additional conditions be fulfilled.

The company is engaged in the manufacture and sale of residential, commercial and industrial heating and cooling systems and equipment, aircraft and missile parts and assemblies, and electronic instruments and components. Webster, of Camden, N. J., is a Maryland corporation engaged primarily in the manufacture and sale of heating, cooling and air conditioning equipment. The company has outstanding, in addition to certain indebtedness, 411,278 shares of common stock, of which Unit & Co. (nominee of The United States National Bank of Portland) holds of record 11.24% and management officials as a group own 11.15%. Lewis J. Cox is listed as president. Of the outstanding stock of Webster, Management & Development Corp. (79% owned by Herbert A. Wagner and Roland R. MacKenzie) owns about 53% and members of the Wagner and MacKenzie families and MacKenzie personally own directly an additional 7%. In addition, George E. Banks, III, a director of Webster, owns 31% of its outstanding stock. The company contemplates the continued operation of Webster as a subsidiary.

**A & M INSTRUMENT FILES FOR STOCK OFFERING.** A & M Instrument, Inc., 48-01 31st Avenue, Long Island City, N. Y., filed a registration statement (File 2-19164) with the SEC on October 19th seeking registration of 150,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by A. J. Frederick Co., Inc. The public offering price and underwriting terms are to be supplied by amendment. A \$5,000 finder's fee is payable to Stanley J. Townsend. The registration statement includes (1) 12,000 shares sold to the principal underwriter and 3,000 shares to Townsend, all at 50¢ per share, and (2) 10,000 shares underlying three-year warrants to be sold to the underwriter for 1¢ each, exercisable at \$4 per share, and 2,000 shares underlying like warrants to be sold to Townsend.

The company (formerly A & M Instrument Service, Inc.) is a manufacturer and distributor of instrument testing and measuring devices for the electrical and electronic industry and it sells primarily to industrial customers and government agencies. The net proceeds from the stock sale will be used to repay short-term loans, for the purchase of machinery and instruments for the enlargement of calibration and standardization facilities, for the research and development of new products, for moving and set-up expenses for a new plant (although there is no commitment at present for such plant), and the balance will be added to working capital.

In addition to certain indebtedness, the company has outstanding 241,500 shares of common stock (after giving effect to a recent 5,625-for-1 stock split), of which Max Leibler, president, and Abram Ackerman, secretary-treasurer, own of record 46.58% each.

**APPALACHIAN POWER CHARTER AMENDMENTS APPROVED.** The SEC has issued an order under the Holding Company Act (Release 35-14534) authorizing Appalachian Power Company, Roanoke, Va., subsidiary of American Electric Power Company, Inc., to amend the preferred stock provisions of its Articles of Association and to solicit proxies in connection therewith; and vacating certain terms and conditions of a prior Commission order. The charter amendment, among other things, will effect substantial compliance with the Commission's 1956 Statement of Policy Regarding Preferred Stock and, within certain limits, financing of a larger portion of its construction requirements through the sale of unsecured debt securities. Stockholder approval thereof will be solicited.

**THREE DELISTINGS PROPOSED.** The SEC has issued orders under the Securities Exchange Act (Release 34-6656) giving interested persons until November 3d to request a hearing upon applications of (1) the American Stock Exchange to delist the capital stock of LaSalle Extension University (all but about 30,000 shares are owned by Crowell-Collier Publishing Co.); (2) the New York Stock Exchange to delist the common stock of The Overland Corporation (less than 54,000 shares remain publicly held and trading is inactive); and (3) the United States Rubber Company to withdraw its common and preferred stocks from the Boston Stock Exchange (to save the expenses of continued listing, trading therein being inactive).

**TWO DELISTING APPROVED.** Effective at the close of trading on November 3d (Release 34-6656) the Commission has granted applications of the New York Stock Exchange to delist the common stock of Trans-United Industries, Inc., and of the Pacific Coast Stock Exchange to delist the common stock of Pacific Finance Corporation.

**TRADING IN BLACK BEAR INDUSTRIES SUSPENDED.** The SEC has issued an order under the Securities Exchange Act suspending trading in the common stock of Black Bear Industries, Inc. (formerly Black Bear Consolidated Mining Co.), for a further ten-day period October 21 to 30, 1961, inclusive.

**TWO-INDICTED IN SALE OF INTER-CITY FINANCE STOCK.** The SEC Atlanta Regional Office announced October 18th (Lit-2124) the return of an indictment (USDC, Miami) charging Michael Angelo Socrates Makris and Clyde Livingston with fraud in the sale of securities of Inter-City Finance Corporation and of Real Estate Discount Corp.

**G. R. SEYBOLD PLEADS GUILTY.** The SEC Chicago Regional Office announced October 19th (Lit-2125) that George Robert Seybold had changed his plea of not guilty to one of guilty to an indictment (USDC, Detroit) charging violations of the anti-fraud provisions of the Securities Act and Investment Advisers Act in connection with his conduct of the business of Seybold and McBurney, of Jackson, Mich.

APPEAL NOTED IN S.E.C. v. RAPP, ET AL. The Commission has filed a notice of appeal from the decision of the District Court for the Southern District of New York in S.E.C. v. Rapp, et al., Civil Action No. 132-344, (September 19, 1961) dismissing its complaint for permanent injunction against violations of Section 17(a) of the Securities Act of 1933 by Herbert Rapp doing business as Webster Securities Company and two of his salesmen -- James Murray and Benjamin Shuman. The district court's opinion is reported in CCH Sec. L. Rep. paragraph 91,048.

NATIONWIDE BOWLING FILES FOR STOCK OFFERING. Nationwide Bowling Corporation, 11 Commerce St., Newark, N. J., filed a registration statement (File 2-19165) with the SEC on October 19th seeking registration of 100,000 shares of capital stock (with attached five-year warrants to purchase 10,000 shares), to be offered for public sale on an all or none basis through underwriters headed by Warner, Jennings, Mandel & Longstreth. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 30,000 shares underlying five-year warrants to be issued to the underwriters, exercisable at a price to be supplied by amendment.

The company was organized under New Jersey law in July 1961 by 13 persons who at that time owned two of the company's present subsidiaries, Market Lanes Inc. and Roosevelt Lanes, Inc. It was formed for the purpose of owning and operating bowling centers and currently owns and operates three such centers through its wholly-owned subsidiaries including said two and a third, Eagle Rock Lanes Corp. The prospectus states that the company had a consolidated net loss of \$32,581 for the 7 months ended July 31, 1961, and at that date, its consolidated current assets were \$60,349 and its consolidated current liabilities were \$367,495. The net proceeds from the stock sale will be used as an initial payment to purchase the real estate now leased by Roosevelt Lanes, Inc. and used as a parking lot (\$27,500), to put into operation the Mountainville Bowling Center, located near Allentown, Pa. (\$100,000), and the balance will be added to working capital and may be used for future acquisitions.

In addition to certain indebtedness, the company has outstanding 180,000 shares of capital stock, of which Mac A. Kaplus, president, and Irwin S. Kaplus, secretary, own 16.1% and 12.8%, respectively, and management officials as a group own 79.5%.

THE JAPAN FUND FILES FOR STOCK OFFERING. The Japan Fund, Inc., 25 Broad Street, New York, filed a registration statement (File 2-19166) with the SEC on October 19th seeking registration of 2,000,000 shares of common stock, to be offered for public sale at \$12.50 per share. The offering will be made on an all or none basis through underwriters headed by Bache & Co., Paine, Webber, Jackson & Curtis, and The Nikko Securities Co., Ltd. The underwriting terms are to be supplied by amendment.

Organized under Maryland law in August 1961, the company is a diversified, closed-end investment company with the principal objective of obtaining capital appreciation through investments primarily in equity securities of Japanese corporations. The Nikko Securities Co., Ltd., a Japanese corporation, is listed as Investment Advisor to the company. Robert L. Garner of Washington, D. C., is listed as president.

NORTHERN NATURAL GAS PROPOSES DEBENTURE OFFERING. Northern Natural Gas Company, 2223 Dodge Street, Omaha, Nebr., today filed a registration statement (File 2-19167) with the SEC seeking registration of \$20,000,000 of sinking fund debentures due 1981, to be offered for public sale through underwriters headed by Blyth & Co., Inc. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The net proceeds from the debenture sale will be used to pay a portion of costs incurred in connection with the 1961 construction and acquisition program of the company and its subsidiaries, including repayment of bank loans incurred therefor. Such program is estimated at \$94,000,000.

SECURITIES ACT REGISTRATIONS. Effective October 20: Flato Realty Investments (File 2-17992); Dynamic Gear Company, Inc. (File 2-18422); Polarad Electronics Corp. (File 2-18286). Withdrawn October 20: Dayjon Explorers Limited (File 2-18870); Televiso Corp. (File 2-18655).

---ooo0ooo---