

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 March 28, 1961

HARCOURT BRACE & WORLD FILES FOR SECONDARY. Harcourt, Brace & World, Inc., 750 Third Ave., New York, filed a registration statement (File 2-17784) with the SEC on March 24, 1961, seeking registration of 101,398 outstanding shares of common stock, to be offered for public sale by the holders thereof through White, Weld & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the publication and sale of (a) elementary school, high school, and college textbooks, workbooks, and related materials, (b) standardized achievement and aptitude tests, and related materials, and (c) general trade books, including fiction, non-fiction, poetry, and juvenile books. It has outstanding 2,645,781 shares of common stock, of which Hastings Harcourt, a director, of Santa Barbara, Calif., owns 260,000 shares, The Estate of Donald C. Brace 340,200 shares, and management officials 546,244 shares (20.65%). The prospectus lists six selling stockholders who hold an aggregate of 261,614 shares. Three are directors, William C. Ferguson, Kaspar M. Bodyson and Ted R. Ray, who propose to sell 20,000, 16,000 and 16,011 shares, respectively. Ernest Hesse proposes to sell 25,000 shares, Daphne H. Brown 16,000 and Vira G. Ferguson 8,387.

HARCOURT BRACE & WORLD FILES OPTION PLAN. Harcourt, Brace & World, Inc., 750 Third Ave., New York, also filed a registration statement (File 2-17784) on March 24, 1961, seeking registration of 179,150 shares of common stock, to be offered to certain key employees of the company under its Stock Option Plan.

BROWN FINTUBE FILES FOR OFFERING AND SECONDARY. Brown Fintube Company, 300 Huron Street, Elyria, Ohio, filed a registration statement (File 2-17804) with the SEC on March 27, 1961, seeking registration of 122,000 shares of Class A common stock, of which 100,000 shares are to be offered for public sale by the company and 22,000 shares, being outstanding stock, by the present holders thereof. Paine, Webber, Jackson & Curtis heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged primarily in the production of heat-transfer equipment incorporating fintubes for use primarily in the petrochemical, chemical and refining industries. Of the net proceeds from the company's sale of additional stock, \$350,000 will be used for the acquisition of new fabricating equipment and the balance for working capital to finance the carrying of larger inventories and receivables, for possible expenditures in connection with the enlargement or relocation of manufacturing facilities, and for general corporate purposes.

In addition to a series of preferred stock, the company has outstanding 191,100 shares of Class A common stock, of which John W. Brown, Jr., president, owns 133,830 shares and proposes to sell 20,000 shares, and Robert W. Kaase, a vice president, owns 14,145 shares and proposes to sell 2,000 shares. The remaining 113,830 Class A shares owned by Brown will be exchanged by him for a like number of Class B common shares. After this offering and said exchange by Brown, the latter will own 39% of the voting stock of the company and management officials as a group 50%.

ADRS FOR DAILY MIRROR FILED. The Morgan Guaranty Trust Company of New York filed a registration statement (File 2-17781) with the SEC on March 23, 1961, seeking registration of American Depositary Receipts for 80,000 shares Ordinary Registered Stock of The Daily Mirror Newspapers Limited.

GPC INC. PROPOSES OFFERING. GPC, Inc., Box 583, Portsmouth, Va., filed a registration statement (File 2-17805) with the SEC on March 27, 1961, seeking registration of 2,180 shares of Class A common stock, to be offered for sale at \$25 per share, and \$126,000 principal amount of Certificates of Indebtedness, to be offered for sale in 1,680 units at \$75 each. No underwriting is involved.

The company was organized under Virginia law in September 1960 with offices at 316 New Kirn Building in Portsmouth. Its initial endeavor is the construction of a modern 32 lane bowling center on Route 58 (the new Portsmouth-Suffolk Blvd.) in Portsmouth. The land has been purchased by the company and a 32-lane duck pin center and related facilities are to be constructed thereon. Net cash proceeds of this financing are to be used for the construction costs in excess of that which will be procured under a first mortgage trust.

The prospectus lists J. Earl Cox as president and Eloise L. Gumm as vice president and manager. In addition to certain indebtedness, the company now has outstanding 1,445 Class A shares and an additional 1200 shares are reserved for issuance upon exercise of outstanding options held by the organizers. Cox, one of the organizers, owns 420 shares; and Gertrude G. Phelan, another organizer, owns 525 shares.

NATIONAL SCIENTIFIC FILES FOR OFFERING. National Scientific Corporation, First National Bank Bldg., Minneapolis, Minn., filed a registration statement (File 2-17783) with the SEC on March 24, 1961, seeking registration of 1,500,000 shares of common stock, to be offered for public sale at \$1.15 per share. The stock will be offered on a best efforts basis through Bratter and Company, Inc., which will receive a 15¢ per share selling commission.

The company (formerly Scientific Development Corporation) was organized under Minnesota law in February 1961. It is a federal licensee under the Small Business Investment Act of 1958 and is registered with the SEC under the Investment Company Act of 1940 as a non-diversified, closed-end, management investment company.

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The company intends to invest, through the purchase of equity securities or the making of long term notes, in small business concerns which are principally engaged in scientific research and product development programs in such fields as electronics, physics and chemistry. The net proceeds of the stock sale will be added to general funds and used, together with other funds, to provide equity investments and loans to small businesses, to provide financial, management and advisory services to such companies and for operating expenses.

The prospectus indicates that by April 30, 1961, 24 persons (including certain management officials) will have purchased an aggregate of 500,000 common shares at \$1 per share. Such stockholders include Melvin J. Silver, Ralph Kriesel, A. E. Strudwick, directors, and A. E. Strudwick & Co. (all of whose voting stock is owned by Strudwick), who will own 10.5%, 10%, 10% and 10%, respectively of the outstanding stock. Casper M. Bower is listed as president.

ANHEUSER-BUSCH FILES STOCK PLAN. Anheuser-Busch, Incorporated, 721 Pestalozzi Street, St. Louis, Mo., filed a registration statement (File 2-17800) with the SEC on March 27, 1961, seeking registration of 218,961 shares of common stock, which have been or may be purchased upon the exercise of options granted or to be granted to officers and key employees pursuant to the company's Stock Option Plan.

HALOID XEROX FILES STOCK PLAN. Haloid Xerox Inc., 6 Haloid Street, Rochester, N. Y., filed a registration statement (File 2-17808) with the SEC on March 27, 1961, seeking registration of 153,860 shares of common stock, which have been or may be purchased upon the exercise of options granted or to be granted to employees pursuant to the company's Employees' Stock Option Plan.

WILLIAMHOUSE FILES FOR OFFERING. The Williamhouse, Inc., 185 Kent Avenue, Brooklyn, N. Y., filed a registration statement (File 2-17809) with the SEC on March 27, 1961, seeking registration of 106,000 shares of common stock, to be offered for public sale at \$6 per share through underwriters headed by Robert L. Ferman & Co., Inc. The underwriters will receive a 72¢ per share commission and \$15,000 for expenses. The registration statement also includes 12,250 outstanding shares which certain stockholders have sold the principal underwriter for \$1,225.

The company is engaged in the manufacture and sale of paper products, including mill-branded envelopes, business envelopes, wedding, birth and commercial announcements, invitation cards and special purpose advertising materials. Of the \$510,000 net proceeds from the stock sale, \$50,000 will be used to repay existing obligations to banks incurred during 1960 and 1961 to retire trade accounts payable and for other working capital purposes; \$87,500 to retire obligations to banks incurred in connection with the acquisition of Kent Paper Co. in 1959; \$100,000 to retire certain promissory notes held by Saul Olzman, board chairman, and Martin R. Lewis, president, and Mrs. Ida Lifshitz; \$100,000 for additional plant, facilities and equipment for California operations; \$25,000 for advertising and sales promotion; \$50,000 for the development of new product lines; and \$97,500 to be added to general funds and utilized as required for working capital and other corporate purposes.

In addition to certain indebtedness, the company has outstanding 175,547 shares of common stock, of which Lewis owns 32.58%, his wife, 14.26%, Olzman 29.72% and his wife 16.46%. Management officials as a group own 93.02% of the outstanding stock.

STANDARD SECURITY LIFE INSURANCE CO. OF N.Y. FILES RIGHTS OFFERING. Standard Security Life Insurance Company of New York, 111 Fifth Avenue, New York, filed a registration statement (File 2-17810) with the SEC on March 27, 1961, seeking registration of 162,000 shares of common stock. It is proposed to offer such stock for subscription by holders of common stock and Class A stock on the basis of two new shares for each five shares of common and/or Class A stock. The record date and subscription price are to be supplied by amendment. No underwriting is involved. Nine directors have agreed to purchase any shares not subscribed to (in addition to shares purchasable by them pursuant to the rights offering).

The company is engaged in the writing of ordinary and group life insurance and individual and group accident and health insurance. The net proceeds from the stock sale will be added to general funds. Substantially all of the proceeds will be invested initially in income producing securities and, thereafter, will be used to finance the company's operations, set up proper reserves for business to be written, expand agency operations and increase business.

The company has outstanding 150,000 shares of Class A and 255,000 shares of common stock. Michael H. Levy, president, owns 26.4% of the Class A stock; Leonard I. Shankman, Chairman of the Executive Committee, owns 15% of the Class A and 7.8% of the common; and management officials as a group own 89.7% and 18.7% of said classes respectively.

MOTOROLA PROPOSES DEBENTURE OFFERING. Motorola, Inc., 9401 W. Grand Avenue, Franklin Park, Ill., filed a registration statement (File 2-17807) with the SEC on March 27, 1961, seeking registration of \$30,000,000 of debentures due 1986, to be offered for public sale through underwriters headed by Halsey, Stuart & Co. and Goldman, Sachs & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in research and in the development, design, manufacture and sale of electronic products and equipment of various types. Of the net proceeds from the debenture sale, \$20,000,000 will be advanced to Motorola Finance Corp., a wholly owned subsidiary, for use in its retirement of part of its current bank loans and outstanding commercial paper; and the balance will be applied by the company to the repayment and retirement of its outstanding 4-3/4% term bank loans due to 1965.

PENNSYLVANIA ELECTRIC FILES FINANCING PROPOSAL. Pennsylvania Electric Company, 222 Levergood Street, Johnstown, Pa., today filed a registration statement (File 2-17813) with the SEC seeking registration of \$10,000,000 of First Mortgage Bonds due 1991 and \$12,000,000 of debentures due 1986. Both issues are to be

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offered for public sale at competitive bidding, the debenture offering will follow the offering and sale of the bonds.

The net proceeds from the sale of the bonds and debentures will be applied to partially reimburse the company's treasury for construction expenditures made prior to 1961. Out of such funds, \$9,000,000 will be applied to the payment at maturity of outstanding Credit Agreement notes, \$2,000,000 to the prepayment of short-term bank borrowings effected in November 1960, and \$11,000,000 toward the 1961 construction program. The company's 1961 construction program contemplates expenditures of about \$31,500,000.

CRITERION INSURANCE FILES FOR RIGHTS OFFERING. Criterion Insurance Company, Government Employees Insurance Building, Washington, D. C., filed a registration statement (File 2-17806) with the SEC on March 27, 1961, seeking registration of 520,000 shares of common stock. The company proposes to offer this stock for subscription at \$6 per share (a) by holders of the common stock of Government Employees Insurance Company ("GEIC") at the rate of one share for each five shares of GEIC stock held of record March 30, 1961; (b) by holders of common stock of Government Employees Life Insurance Company ("GELIC") at the rate of one share for each ten shares of GELIC stock held March 30, 1961; and (c) by holders of the common stock of Government Employees Corporation ("GEC") at the rate of one share for each ten shares of GEC stock held March 30, 1961. Holders of 5% Convertible Capital Debentures of GEC who convert said debentures into stock on or before May 1, 1961, will be entitled to participate in this offering. There are 2,092,941 shares of GEIC common, 441,516 shares of GELIC common and 175,232 shares of GEC common outstanding.

On or about May 15, 1961, subscription warrants will be issued to the operating officers of Criterion Insurance and to the Trustees of the Profit-Sharing Plan for employees of GEIC, GELIC and GEC, for the purchase at \$6 per share of 19,000 and 20,000 shares, respectively, of the new stock.

Criterion Insurance was organized under District of Columbia law on March 22, 1961, by the management of the three Government Employees Group companies, to engage in all kinds of fire and casualty insurance business, including full coverage automobile insurance. Upon completion of this financing, it will apply to the Superintendent of Insurance for the District of Columbia for a license to engage in the fire and casualty insurance business under the insurance laws of the District of Columbia; and from time to time as its business expands, it will apply for licenses to engage in the insurance business in all or substantially all of the fifty states. It proposes to engage in the business of writing automobile insurance on so-called "standard" risks. Net proceeds of the stock sale will be used as needed in the operation, promotion and development of the business. The company now has outstanding 5,000 shares of common stock. The prospectus lists Leo Goodwin, Sr., as Founder Chairman, Jerome A. Newman as Board Chairman, Lorimer A. Davidson as president, David Lloyd Kreeper as senior vice president, and Benjamin Graham as vice chairman.

EQUITY FUND SHARES IN REGISTRATION. Equity Fund, Inc., 1600 Norton Bldg., Seattle, filed a registration statement (File 2-17812) with the SEC on March 27, 1961, seeking registration of an additional 300,000 shares of common stock.

FRAUD CHARGED IN TREASURE STATE LIFE STOCK SALE. The SEC Seattle Regional Office, announced March 23rd (LR-1956) the return of a Federal court indictment (USDC, Spokane, Wash.) charging John Myer, James Priestly, Northern Brokerage Company, Tarris D. Dolan, Arnold V. Tibbetts, James E. Caine, Gerald Dedmore, Lyle Dedmore, Lee Gregerson, John P. Stokes, Rody P. Byrne, John Edwards and William Baxter with fraud in the sale of stock of Treasure State Life Insurance Company of Butte, Mont. (The Insurance Company itself was not involved). The Seattle Regional Office also announced March 23rd (LR-1957) the return of a Federal court indictment (USDC, Spokane) charging Glenn G. Swanson and W. Floyd Sparrow with fraud in the sale of stock of Treasure State Life Insurance Company (the Insurance Company itself was not involved).

INSURANCE CO. STOCK FRAUD CHARGED. The SEC Chicago Regional Office announced March 23rd (LR-1958) the return of a Federal court indictment in Louisville, Ky., charging Charles C. Bales, Robert B. Hensley, Sylvester H. Goebel, Frank A. Logan, Dan A. Aldridge and John C. Buckley, Jr., with conspiracy to violate and violations of the anti-fraud provisions of the Securities Act in the sale of option stock of Cardinal Life Insurance Company on the false representation that Buckley Enterprises was employed by Cardinal Life to sell its stock and that Cardinal Life was selling its stock to raise money for expansion.

KING KULLEN GROCERY FILES FOR OFFERING AND SECONDARY. King Kullen Grocery Co., Inc., 178-02 Liberty Ave., Jamaica, N. Y., today filed a registration statement (File 2-17817) with the SEC seeking registration of 180,000 shares of Class A stock, of which 50,000 shares are to be offered for public sale by the company and 130,000 shares, being outstanding stock, by the present holders thereof. Hemphill, Noyes & Co. and Estabrook & Co. head the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the operation of a chain of 33 retail self-service food stores in the Long Island, New York area. Four additional stores are under construction and expected to be in operation in the summer or fall of 1961. The net proceeds from the company's sale of additional stock will be applied toward the cost, estimated at \$900,000, of constructing and equipping a new warehouse and office facilities (the balance of such cost to be paid from company funds).

The company has outstanding 185,520 Class A and 634,706 Class B shares. Nan A. Cullen, board chairman, owns 155,000 Class A shares and proposes to sell 105,000 shares, and James A. Cullen, president, owns 25,000 Class A shares and proposes to sell all such shares. The two Cullens own 41.8% and 42.1% of the Class B shares, respectively, which shares are convertible into Class A stock on a share for share basis.

SECURITIES ACT REGISTRATIONS. Effective March 28: Greenfield Real Estate Investment Trust (File 2-17399); Northwest Bancorporation (File 2-17575); Beckman Instruments, Inc. (File 2-17627); Smith Kline & French Laboratories (File 2-17689).