

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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UNLISTED TRADING SOUGHT. The SEC has issued an order under the Securities Exchange Act of 1934 giving interested persons until August 11, 1961, to request a hearing upon applications of the Detroit Stock Exchange for unlisted trading privileges in the common stocks of the following:

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| Aeroquip Corporation | General Tire & Rubber Co. | North American Aviation, Inc. |
| American Machine & Foundry Co. | Great Atlantic & Pacific Tea Co., Inc. | The Ohio Oil Company |
| Ampex Corporation | Helene Curtis Industries, Inc. | Raytheon Company |
| Brunswick Corporation | Highway Trailer Industries, Inc. | Standard Oil Company of California |
| Burlington Industries, Inc. | Lockheed Aircraft Corporation | United Air Lines, Inc. |
| Chock Full O'Nuts Corporation | F. Lorillard Company | Universal Match Corporation |
| Deere & Company | Minnesota Mining & Mfg. Co. | The Vendo Company |

APEX MINERALS TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending trading on the San Francisco Mining Exchange and the over-the-counter market in the common stock of Apex Minerals Corporation for a further ten-day period July 30 to August 8, 1961, inclusive.

HANOVER FUND OF BOSTON EXEMPTED. The SEC has issued an order under the Investment Company Act (Release IC-3298) declaring that The Hanover Fund of Boston, Inc., has ceased to be an investment company.

SWIFT & CO. RECEIVES ORDER. On application of Swift & Company pursuant to Section 310(b) of the Trust Indenture Act of 1939, the SEC has issued an order finding that the trusteeship of The First National Bank of Chicago under the Swift & Company's 1947 and 1948 indentures and under an indenture proposed to be executed dated as of June 1, 1961, securing a proposed new issue of \$30,000,000 of debentures due 1986 to be sold to institutional investors, is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify The First National Bank of Chicago from acting as trustee under the 1947 and 1948 indentures.

L. L. DRUG FILES FOR STOCK OFFERING AND SECONDARY. L. L. Drug Company, Inc., 1 Bala Avenue, Bala-Cynwyd, Pa., filed a registration statement (File 2-18570) with the SEC on July 26th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4.50 per share. The offering will be made on a best efforts basis by Stevens Investment Company, which will receive a \$.5625 per share selling commission and \$15,000 for expenses. The registration statement also includes (1) 15,000 shares which underlie 5-year options to the underwriter to purchase 1½ shares for each ten shares sold, at 5¢ per share, and (2) 17,998 outstanding shares which may be sold from time to time by the holders thereof in the over-the-counter market at prices related to the current market prices at the time of sale.

The company formulates, distributes and sells ethical pharmaceuticals, proprietary drugs and vitamin products to distributors, wholesale drug companies and retail drug stores, primarily in the Philadelphia area. According to the prospectus, net losses for the year ended September 30, 1960 and for the seven month period ended April 30, 1961 amount to \$4,217 and \$286, respectively. The estimated \$353,750 net proceeds from the stock sale will be used to repay a loan, to purchase machinery and equipment, for research and development, advertising and sales promotion and inventory, and general working capital and operating expenses.

In addition to certain indebtedness, the company has outstanding 100,000 shares of common stock with a present book value of 9.6¢ per share, which will increase to \$1.81 per share upon sale of the new stock. Of the outstanding stock, Arthur Tuchinsky and Morris Freed, directors, own 27.8% and 11.9%, respectively. Martin Miller, president, owns 5%. The prospectus lists seven selling stockholders who propose to sell amounts ranging from 1,000 to 5,000 shares. The prospectus further indicates that, assuming the sale of the 100,000 new shares, officers, directors, promoters and other present stockholders will have acquired 50% of the outstanding stock for \$9,606 and public purchasers the remaining 50% at a cost of \$450,000.

AERONCA MFG. FILES EXCHANGE PLAN. Aeronca Manufacturing Corporation, Middletown, Ohio, filed a registration statement (File 2-18572) with the SEC on July 26th seeking registration of 160,531 shares of common stock. Aeronca proposes to offer 136,876 shares on the basis of 1.55 shares of such stock for each share of the capital stock of Flight Refueling, Inc., and an additional 23,655 shares on the basis of 19 shares for each \$100 principal amount of Flight's 6% Subordinated Convertible Notes due 1963. Aeronca is engaged principally in the development and production of defense products, while its major subsidiary, Buensod-Stacy Corp., designs and installs commercial and industrial environmental control systems. Flight's primary product is the Probe and Drogue System of aerial refueling. According to the prospectus, the businesses of the two companies, as well as the directors of their research and development programs, are complementary and it is believed that the combined capability to undertake and market electronic and space research, development and production work in the aviation, missile and space vehicle fields will be enhanced by the proposed

combination. Laurance S. Rockefeller holds 35,500 shares (40.7%) of Flight Capital Stock and \$35,500 (28.5%) of face amount of its 6% Convertible Debentures; Thiokol Chemical Corporation holds 30,000 (34.4%) of said shares and \$30,000 of said Debentures (24.1%); and Smith Barney & Co. holds 5,000 of said shares and \$5,000 of said Debentures. Each proposes to accept the exchange offer.

PAN-ALASKA FISHERIES FILES FOR OFFERING. Pan-Alaska Fisheries, Inc., Dexter Horton Building, Seattle, Washington, filed a registration statement (File 2-18571) with the SEC on July 26th seeking registration of 120,000 shares of common stock, to be offered for public sale through underwriters headed by Robert L. Ferman & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes (1) 12,500 outstanding common shares recently sold to four persons including the underwriter at \$4 per share, (2) \$100,000 of 8% debentures convertible into 25,000 shares at \$4 per share sold to the underwriter and business acquaintances, and (3) 25,000 shares which underlie five-year warrants sold to the underwriter at 1¢ each, exercisable at \$4 per share, and 5,000 shares underlying like warrants sold to members of the firm serving as company counsel.

The company is engaged in the processing and sale of Alaska king crab. Its products are sold nationally in supermarkets and specialty stores, and are sold in Western Europe and for use by trans-Atlantic shipping lines. The net proceeds from the stock sale will be used to acquire additional fishing boats, for the purchase of additional crab processing and canning equipment for installation at a new plant in Seattle, and for working capital to be used in the general operation of the business. In addition to certain indebtedness, the company has outstanding 144,500 shares of common stock, of which William A. Ritter, president, owns 41.2%.

ELECTRONICS DISCOVERY PROPOSES OFFERING. Electronics Discovery Corporation, 1100 Shames Drive, Westbury, Long Island, N. Y., filed a registration statement (File 2-18573) with the SEC on July 26th seeking registration of 150,000 shares of common stock, to be offered for public sale at \$1 per share. The offering is to be made on an all or none basis through Globus, Inc., for which it will receive a 12¢ per share commission. The company heretofore sold to the underwriter and its associates, \$20,000 of 3% convertible notes due November 1, 1961, which are to be converted into 20,000 common shares, as well as five year warrants to purchase 60,000 shares at \$1 per share, at a cost of \$20,600 to the purchasers.

The company was organized in May 1961 for the purpose of attempting to develop for commercial use and application, certain formulae and processes which provide electric current conducting propensities to various materials through the medium of a chemical composition or coating applied to, or incorporated in, such materials. In addition, the Company intends to continue development of a device or machine to separate metals from pulverized materials which it has named VARIABLE DIELECTRIC CONSTANT SEPARATOR. Initially, the Company will receive income, if any, only from research and development projects. The proceeds of this financing will be used by the Company for research and product development and to carry forward a program of market development.

The company has no employees except its president, Bertram Julien and three other officials. Upon conversion of the notes, it will have outstanding 100,000 common shares, of which one of such officer, Frank J. Davidson, director of research, owns 55%, for which the holders will have paid \$20,850 (including payment for the 60,000 warrants). The book value of outstanding shares will increase from 21¢ to about 60¢ per share if the new shares are sold.

ADRs FOR PHOTO PRODUITS GEVAERT FILED. Morgan Guaranty Trust Company of New York filed a registration statement (File 2-18574) with the SEC on July 27th seeking registration of American Depositary Receipts for 50,000 Bearer Shares of Photo Produits Gevaert, S.A.

GLENN PACIFIC PROPOSES OFFERING. Glenn Pacific Corporation, 703 - 37th Avenue, Oakland, Calif., filed a registration statement (File 2-18575) with the SEC on July 27th seeking registration of 80,000 shares of common stock, to be offered for public sale at \$5 per share through Birr & Co., Inc., which will receive a 45¢ per share commission. Also included in the statement are 4,800 shares underlying options to be sold by present stockholders to the underwriter.

The company is primarily engaged in the development, manufacture and sale of power supplies for arc welding equipment. In addition, the Company manufactures and sells line voltage compensators, industrial power supplies, variable transformers and plasma arc power supplies for a wide variety of uses. Net proceeds of the stock sale will be used in part to retire a \$250,000 bank loan obtained in January to finance bank indebtedness originally incurred in financing the purchase of M & T Welding Products Corp. The balance of the proceeds will be used to improve the company's working capital position.

The company now has outstanding 240,000 common shares, having an April 30th book value of 73¢ per share, of which Frederick L. Anderson owns 19%, Edward H. Heller, 13.5%, and Albert and May Schwabacher, 10%.

MIDDLE ATLANTIC CREDIT FILES FINANCING PROPOSAL. Middle Atlantic Credit Corp., 1518 Walnut St., Philadelphia, filed a registration statement (File 2-18576) with the SEC on July 27th seeking registration of \$120,000 of 6½% Subordinated Debentures due 1971 and 60,000 shares of common stock, to be offered for public sale in units each consisting of \$200 of debentures and 100 shares of stock. The units are to be offered for sale at \$500 per unit through R. L. Scheinman & Co. and A. W. Benkert & Co., Inc., on a best efforts basis, for which they will receive a selling commission of \$40 per unit. In consideration of certain services, the company has sold 20,000 shares to Robert L. Scheinman and 10,000 shares to Bernard H. LaLone at 50¢ per share, of which 2,000 shares have been transferred to counsel for Scheinman & Co. Three-year warrants to purchase 7,000 shares at \$3 per share are to be issued to Malcolm Weiss and Stanley Schlesinger, finders; warrants for 4,000 shares to Benkert & Co., and warrants for 6,000 shares to members of the selling group.

Organized in February 1959, the company is engaged principally in financing accounts receivable. It also makes occasional inventory and equipment loans to its customers and intends, on completion of this

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financing, to enter the equipment leasing business. The \$250,000 estimated net proceeds of this financing will be applied to working capital in order to increase both the number and size of the company's accounts, to permit participation with Walter E. Heller & Co. Inc., in financing accounts referred by the company to Heller & Co., and to enter the equipment leasing business. In addition to indebtedness, the company now has outstanding 155,000 common shares having an April 30th book value of \$1.45 per share (which will increase to \$1.65 upon completion of this financing). Of the outstanding stock, 39.6% is owned by Gilbert N. Zitin, president, and 31.4% by Bernard C. Zitin, treasurer. The 110,000 shares owned by the two Zitins represent a cash cost to them of \$156,000.

PALM BEACH TOWERS PROPOSES OFFERING. Palm Beach Towers Company, 60 E. 42d Street, New York, filed a registration statement (File 2-18577) with the SEC on July 27th seeking registration of \$2,750,000 of participations in a 10% Second Mortgage on The Palm Beach Towers, Palm Beach, Fla., to be offered for sale in 275 units at \$10,000 per unit. The company is a joint venture among Lawrence A. Wien, Harry B. Helmsley and Francis S. Levien, each of whom has a one-sixth interest therein, and Towers Apartments, Inc., a Florida corporation which owns the remaining one-half interest. The president and one of the principal stockholders of Towers Apartments is Alfred N. Miller. The company now holds a long-term ground lease on the Palm Beach Towers, and it also owns its furniture and equipment. The company proposes to purchase the 9½ acres of land on which the hotel is situated, for \$975,000 in cash. The purchase will be made from a trust whose beneficiaries include certain of the Towers Apartments stockholders. Upon closing, the company will own the entire Palm Beach Towers property subject to a first mortgage with a balance of \$2,184,605. Simultaneously with the fee ownership of the property, the company proposes to place a new \$2,750,000 10% second mortgage thereon, due 1986; and it proposes to offer participations therein for public sale. The proceeds of the offering will be used to make the \$975,000 cash payment under the land purchase contract, to pay an existing \$1,600,000 second mortgage on the property, to defray disbursements of \$155,000 incident to the transactions, and to pay expenses of \$20,000 in connection with this offering. The disbursements will include a legal fee now estimated at \$100,000 to Wien, Lane and Klein, in which Lawrence A. Wien is a partner.

HAMPTON SALES PROPOSES OFFERING. Hampton Sales Co., Inc., 8000 Cooper Avenue, Queens, N. Y., filed a registration statement (File 2-18578) with the SEC on July 27th seeking registration of 150,000 shares of common stock, to be offered for public sale at \$4 per share. The offering is to be made on an all or none basis through underwriters headed by Godfrey, Hamilton, Magnus & Co., Inc., for which a 40¢ per share commission is to be paid plus \$18,000 for expenses. Also included in the statement are 14,000 shares purchased from certain stockholders by the principal underwriter at 50¢ per share.

The company is engaged primarily in the operation of a chain of retail discount leased-departments and retail discount stores in New York City, Long Island and northern New Jersey. Net proceeds of the stock sale, estimated at \$497,500 will be applied to the payment of \$125,000 of bank loans and in part (\$39,000) to enlarge one store; and the balance of some \$333,500 will be used to reduce outstanding accounts payable, payments of indebtedness and to improve the working capital of the company. The company now has outstanding 316,000 common shares with an April 30th book value of \$1.37 per share, of which Frank Silverman, president, owns 28.85% and management officials as a group 78.26%.

ROBINS INDUSTRIES FILES FOR STOCK OFFERING. Robins Industries Corp., 36-27 Prince Street, Flushing, New York, filed a registration statement (File 2-18580) with the SEC on July 27th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$2.50 per share. The offering will be made on a "best efforts all-or-nothing" basis by Carroll Co., which will receive a 25¢ per share commission and \$12,500 for expenses. The registration statement also includes 10,000 outstanding common shares sold by the holder thereof to Raymond C. Carroll, 5,000 shares to Milton D. Blauner, 3,000 to David Susser, and 2,000 to Jerome Abrams, all at 50¢ per share.

The company is engaged in the development, manufacture and distribution on a national basis and for export, of diverse products principally in the electronic sound recording and reproduction field. Net proceeds from the stock sale, estimated at \$200,000, will be used to retire an outstanding bank loan, to move to a new plant, for research, development and tooling of new products in various stages of development, for sale promotion and advertising, and the balance (\$105,000) for working capital.

In addition to certain indebtedness and preferred stock, the company has outstanding 300,000 shares of common stock, of which Herman D. Post, president, owns 93.3%.

PICKWICK INTERNATIONAL FILES FOR STOCK OFFERING. Pickwick International, Inc., 8-16 43rd Avenue, Long Island City, N. Y., filed a registration statement (File 2-18581) with the SEC on July 27th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$3 per share. The offering will be made on an all or none basis through William, David & Motti, Inc. and three other firms which will receive a 36¢ per share commission. The registration statement also includes 17,000 shares which underlie five-year warrants sold to the underwriters for \$.001 each, exercisable at \$3 per share.

The company (formerly Pickwick Sales Corporation) is in the business of distributing phonograph records. Net proceeds from the stock sale, estimated at \$225,000, will be used for advertising and promotion of additional records in the educational and children's fields, for budget record merchandising, to repay loans, for additional personnel, domestically and in foreign countries, to expand sales organization, and for working capital and other corporate purposes.

The company has outstanding 200,000 shares of common stock, with a present book value of \$.86 per share, of which Seymour Leslie, president, and Harold Baker, secretary, own 55% and 45%, respectively. After the sale of new stock, the shares then outstanding will have a book value of \$1.32.

CALDOR FILES FOR STOCK OFFERING. Caldor, Inc., 69 Jefferson Street, Stamford, Conn., filed a registration statement (File 2-18582) with the SEC on July 27th seeking registration of 120,000 shares of

of common stock, to be offered for public sale at \$5 per share. The offering will be made on an all or none basis through underwriters headed by Ira Haupt & Co., which will receive a 42½¢ per share commission and \$7,000 for expenses. The registration statement also includes 12,000 common shares which underlie five-year warrants sold to the principal underwriter for \$120, exercisable at \$5 per share. The underwriters have agreed to deliver 600 shares to Malcolm Wein as a finder's fee.

The company was organized under Delaware law in January 1961. It is engaged in the operation of retail stores, commonly referred to as "discount houses." The company now operates one store in Port Chester, New York, and another in Riverside, Connecticut, as well as three small stores in the Norwalk, Connecticut area which three are temporary substitutes for a store that had been operated in Norwalk until its destruction by fire on April 17, 1961. A new Norwalk store which the company intends to open in November 1961 is being built on the site of the old Norwalk store. The company also intends to open a new store at Brookfield, Connecticut late in 1961 and, subject to a change in zoning and the availability of mortgage financing, to open another new store in Bridgeport, Connecticut. Of the net proceeds from the stock sale, estimated at \$500,000, the company plans to use \$245,000 in connection with the opening of the new store at Brookfield, \$50,000 for the construction and furnishing of its new executive offices, \$20,000 for the conversion of certain storage space in its Riverside store into selling area and \$12,500 as a security deposit with the lessor of such store. The remainder of the net proceeds will be added to the company's working capital.

In addition to certain indebtedness, the company has outstanding 400,000 shares of common stock, of which Carl Bennett, president and board chairman, and Dorothy Bennett, his wife and company treasurer, own 72.2% and 12.2%, respectively. They hold the balance (7.8%) as trustees for their children. They received such shares in exchange for all of the outstanding shares of C. Caldor, Inc., C. Caldor, Incorporated and Caldor of Greenwich, Inc.

PIONEER ASTRO INDUSTRIES FILES FOR OFFERING. Pioneer Astro Industries, Inc., 7401 West Lawrence Ave., Chicago, filed a registration statement (File 2-18579) with the SEC on July 27th seeking registration of 150,000 shares of common stock, to be offered for public sale through underwriters headed by Francis I. duPont & Co. The public offering price and underwriting terms are to be supplied by amendment. The company (formerly Pioneer Tool and Engineering Co.) develops and produces precision-machined components and assemblies for guidance systems and other astro instrumentation of missiles and space vehicles, and other products, most of them associated with national defense. In addition to indebtedness the company has outstanding 300,000 common shares, of which 93.7% is owned by Albert S. Kepen and his son, Robert P. Kepen, president and executive vice-president, respectively. Of the net proceeds of the sale of additional stock, \$750,000 will be used in connection with the proposed construction and operation of a plant in California; and the balance will be used for additional equipment and working capital in the Chicago plant.

MOTOR COILS MFG. FILES FOR STOCK OFFERING AND SECONDARY. Motor Coils Manufacturing Co., 110 Thirty-Second Street, Pittsburgh, Pa., filed a registration statement (File 2-18583) with the SEC on July 27th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$6.50 per share. The offering will be made on an all or none basis through Golkin, Bomback & Co. and two other firms, which will receive a 65¢ per share commission and \$10,000 for expenses. Don R. Horowitz will receive a finder's fee of \$2,500. The registration statement also includes (1) 10,000 common shares sold to the principal underwriter at \$1 per share, (2) 48,640 outstanding shares owned by the principal underwriter (exclusive of said 10,000 shares), the other two underwriting firms, and Saul Golkin and Milton J. Bomback, individually, (3) 49,360 outstanding shares which may be offered for public sale by the 14 holders thereof from time to time in the over-the-counter market at prevailing prices at the time of sale, and (4) 25,000 shares issuable upon exercise of options granted pursuant to the company's Restricted Stock Option Plan.

The company is engaged primarily in the manufacture of armature, stator and field coils, for sale to the railroad industry, and for use by the company in the re-manufacture, for sale to railroads, of standard motors and generators used on electric and Diesel electric locomotives. The company also pioneered the development of a special process, under the trade name "Epoxi-Mica," used in the insulation of said parts and equipment. Of the net proceeds from the company's sale of additional stock, estimated at \$535,000, the company intends to use \$250,000 to retire certain current obligations and loans made for working capital purposes; and the remainder will be added to general funds and will be available for general corporate purposes (including additional equipment).

In addition to certain indebtedness, the company has outstanding 220,000 shares of common stock, of which Ralph C. Lauro, president, and Nancy G. Lauro, a secretary-treasurer, own (as joint tenants) 50.9%, Golkin, Bomback & Co. 22.6%, and management officials as a group 73.5%.

JAMES L. DUFFY, OTHERS ENJOINED. The SEC Chicago Regional Office announced July 27th (LR-2074) the entry of a Federal court order (USDC, Cleveland) permanently enjoining James L. Duffy, M. Arnold Willbanks and Otto A. Schindler from further violations of the Securities Act registration requirements in the offer and sale of investment contracts relating to various oil and gas leaseholds.

SECURITIES ACT REGISTRATIONS. Effective July 28: Continental Carbon Company- Thrift Plan (File 2-18406); The Savings and Profit Sharing Pension Fund of Sears, Roebuck and Co. Employees and Sears, Roebuck and Co. (File 2-18483); Textron, Inc. (File 2-18477).