

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

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



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SUNOLIN CHEMICAL FILES STOCK PLAN. SunOlin Chemical Company, 1608 Walnut St., Philadelphia has joined with Sun Oil Company of Philadelphia and Olin Mathieson Chemical Corporation of New York in the filing of a registration statement (File 2-16707) with the SEC on June 16, 1960, seeking registration of \$100,000 of interests in the SunOlin Thrift Plan, together with 1,064 shares of Sun Oil common and 1,130 shares of Olin Mathieson common. All of the outstanding stock of SunOlin is owned in equal amounts by Sun Oil and Olin Mathieson.

VARIABLE ANNUITY LIFE (VALIC) FILES FOR OFFERING. Variable Annuity Life Insurance Company of America, 1832 M Street, N. W., Washington, D. C., filed a registration statement (File 2-16709) with the SEC on June 16, 1960, seeking registration of 1,000,000 shares of \$1 par common stock, to be offered for public sale through an underwriting group headed by John C. Legg & Company. The public offering price and underwriting terms are to be supplied by amendment.

Also included in the registration statement are an additional 325,000 shares of the \$1 par common stock, which are to be exchanged for 325,000 shares (100%) of existing \$0.77 par common stock.

Valic is engaged in the business of issuing variable annuities, life insurance and disability insurance in combination. It is also a registered investment company. According to the prospectus, the net proceeds of its sale of the additional 1,000,000 common shares will be used primarily to expand and develop the company's business. The company intends to qualify to offer its variable annuity contracts and life insurance policies in as many states as practicable consistent with its ability to establish and staff branch offices and general agencies.

The prospectus lists John D. Marsh as president and chairman of executive committee and Page Hufty as chairman of finance committee. Marsh is listed as the owner of 123,344 of the outstanding common shares (38%) and Hufty 84,609 shares (26%). Frances A. Hufty owns 56,393 shares. Management officials as a group own an aggregate of 232,072 shares (71.4%).

INTER-COUNTY TELEPHONE & TELEGRAPH FILES FOR OFFERING. Inter-County Telephone & Telegraph Company, 1517 Jackson Street, Fort Myers, Florida, filed a registration statement (File 2-16708) with the SEC on June 16, 1960, seeking registration of 125,000 shares of common stock, to be offered for public sale through a group of underwriters headed by Dean Witter & Co. The public offering price and underwriting terms will be supplied by amendment.

Of the net proceeds of the stock sale, \$1,500,000 will be used to liquidate outstanding short-term bank loans and approximately \$600,000 will be applied in reduction of accounts payable incurred in connection with the company's continuing construction program. The remainder will be used to pay a portion of the 1960 construction expenditures estimated at \$3,000,000.

In addition to bonds, and other indebtedness, the company has outstanding 101,778 shares of \$25 par preferred stock and 600,618 shares of common stock. The prospectus lists G.W. Thompson as president and owner of 2,000 shares (20%) of preferred stock and 123,938 shares (20.64%) of common stock. In addition, Patterson, Copeland & Kendall, Inc. (Chicago, Illinois) owns 3,250 shares (32.50%) of preferred stock and 112,914 shares (18.80%) of common stock; and Central Financing & Investment Co., Inc. (Chicago, Illinois) owns 1,750 shares (17.50%) of preferred stock and 59,481 shares (9.90%) of common stock. The company's officers and directors as a group own 2,000 shares (20.00%) of preferred stock and 126,185 shares (21.01%) of common stock.

COURT ORDER ENJOINS ANACONDA LEAD. The SEC Denver Regional Office announced June 14th (Lit. Release 1706) entry of a Federal court order (USDC, Colo.) preliminarily enjoining Anaconda Lead and Silver Company and Howard Pierce Waite from violating the antifraud provisions of Federal securities laws in the sale of Anaconda Lead stock and the purchase of Rocket Petroleum Company, Inc., stock.

GREENHILL, PROCTOR, SENTENCED. The SEC Atlanta Regional Office announced June 14th (Lit. Release 1707) that Judge H. H. Grooms (USDC, Ala.) had imposed a three-year sentence upon Kalman Greenhill and two-year
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sentence upon Francis E. Proctor, Jr., following their conviction of fraud in sale of Alabama Acceptance Corp. securities. Sentencing of three defendants who had entered nolo contendere plea and were adjudged guilty (John Murray, Carle K. Wells and William Edward Faulk) deferred.

ATLAS CORP. SEEKS ORDER. Atlas Corporation, New York investment company, has joined with Petro-Atlas, Inc., its subsidiary, and The Hidden Splendor Mining Company, an affiliate, in the filing of an application with the SEC for an exemption order under the Investment Company Act with respect to the proposed sale of certain properties by Petrol to Hidden Splendor; and the Commission has issued an order (Release 40-3048) giving interested persons until June 30, 1960, to request a hearing thereon.

The properties in question consist of certain oil, gas and mineral leasehold interests located in the states of Utah, New Mexico and Kansas, and are to be sold to Hidden Splendor for \$1,300,000. According to an independent petroleum engineer's estimate, they have estimated net proven reserves of 768,950 barrels of crude oil and 4,495,957 Mcf of natural gas. In addition, 2,455,711 net barrels of oil are estimated to be recoverable when secondary recovery methods are applied; and, according to the application, it appears that operators are well on their way toward unitization for this purpose.

CENTURY-WEBSTER INVESTORS FILE FOR MERGER WITH AMERICAN MFG CO. The SEC has issued an order under the Investment Company Act (Release 40-3049) scheduling for hearing on July 7, 1960, a proposal filed by Century Investors, Inc., and Webster Investors, Inc., New York investment companies, for merger with and into American Manufacturing Company, of New York. The application also seeks an exemption of the merged company from the Investment Company Act.

According to the application, Century owns 8.6% of the stock of American and 37.9% of the stock of Webster; and Webster owns 29.6% of the American stock. Gurdon W. Wattles, president and director of Century, Webster and American, owns 59.3% of the Century stock, 28.6% of the Webster stock, and 11.9% of the American stock; and a trust of which he is co-trustee and in which he has no beneficial interest owns 13%, 1.2% and .4% of the stock of the three companies, respectively. The portfolio of Century consists solely of common stocks of Webster, American and Mergenthaler Linotype Company, while a major part of Webster's portfolio consists of Class A stock and common stock of American and common stock of Mergenthaler. American is engaged in the manufacture of natural and synthetic ropes, cords and twines, as well as oakum and packing for the marine, construction and building trades. It is also engaged in the manufacture and sale of industrial scales and weighers, industrial timers and controls, processing equipment for chemical milling and general process industries. It also owns about 18% of the outstanding capital stock of Mergenthaler. Century and Webster also own about 1% and 12%, respectively, of the Mergenthaler stock. Mergenthaler's principal business is the manufacture and sale of linotype casting machines for printing. American also owns about 28% of the stock of Vapor Heating Corporation, which is engaged in the manufacture of railroad and industrial steam generators and other industrial products.

Century has outstanding 150,050 common shares; Webster has outstanding 266,520 common shares; and American has outstanding 225,184 Class A and 468,290 common shares (not including certain optioned shares). Under the merger proposal, each share of Century common will be converted into .1 share of Class A stock and 1.15 share of common stock of American; each share of Webster common will be converted into .5 share of Class A stock and .72 share of common stock of American; and each share of Class A stock and common stock and options to purchase stock of American will remain outstanding.

HYDROMETALS PROPOSES DEBENTURE OFFERING. Hydrometals, Inc., 405 Lexington Avenue, New York, filed a registration statement (File 2-16710) with the SEC on June 16, 1960, seeking registration of \$2,500,000 of convertible debentures due 1972. The company proposes to offer the debentures for subscription by stockholders. The interest rate, record date, rate of subscription, subscription price, and underwriting terms are to be supplied by amendment. The offer is to be underwritten by a group headed by H. M. Byllesby and Company. Hydrometals has agreed to grant Byllesby & Co. a five year non-transferable option to purchase stock of the company, the number of shares and exercise price to be supplied by amendment.

The company is engaged in the rolling of commercial sheet and strip zinc. Of the net proceeds from the debenture sale, approximately \$490,000 will be used to retire loans made to furnish working capital and to finance the company's Hydro-T-Metal program, and \$300,000 will be used to retire a loan made to finance the acquisition of a license to practice an electrothermal process for the production of metals from oxides and ores. The balance of such proceeds will be added to the general funds of the company.

CAVITRON SECURITIES IN REGISTRATION. Cavitron Corporation, 42-15 Crescent St., Long Island City, N.Y., today filed a registration statement (File 2-16711) with the SEC seeking registration of 40,000 shares of common stock, to be offered for public sale at \$15 per share. The offering is not to be underwritten.

The company is engaged in the development, manufacture and sale of ultrasonic equipment for carrying out its Cavitron process, including ultrasonic dental equipment and ultrasonic transducers and generators for incorporation in machine tools utilizing the Cavitron process. Net proceeds of the sale of the 40,000 common shares will be used to finance the company's anticipated growth and for other general corporate purposes.

Also included in the registration statement are \$290,000 of 10-year 5% convertible notes due March 1967 issued in March 1957 to a group of investors (including Frederick L. Schuster, a director); \$290,000 of 6%

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convertible notes due July 1968 issued in July 1958 to a group of investors (including Schuster and Arthur Kuris, board chairman); \$260,000 of 5-year 5% installment notes (with warrants) for the purchase of 26,000 common shares) dated June 15, 1959, issued to a group of investors (including Schuster, Kuris, and Carleton Ellis, Jr., president); and certain other securities. Management officials own 47,575 common shares (17.2%).

WESTERN PUBLISHING CO. FILES FOR OFFERING AND SECONDARY. Western Publishing Company, Inc., 1220 Mound Ave., Racine, Wisconsin, today filed a registration statement (File 2-16712) with the SEC seeking registration of 362,114 shares of common stock, of which 150,000 shares are to be offered for public sale by the issuing company and 212,114 shares, being outstanding stock, by the present holders thereof. The public offering price and underwriting terms are to be supplied by amendment. The prospectus lists Goldman, Sachs & Co. as the principal underwriter.

The company is now known as Western Printing and Lithographing Company. It is engaged principally in (a) the creation, production, publication and distribution of juvenile books and games and the creation and production of comic books; (b) the creation and production of trade and supplemental school reading books for other publishers; (c) printing for commercial clients and (d) the creation, production and distribution of other printed products. Net proceeds to the company from its sale of the additional 150,000 common shares will be added to its general funds available for general corporate purposes, including its \$4,650,000 program for purchases of plant and equipment additions and improvements.

The remaining 212,114 shares are to be offered for sale by a group of stockholders which now owns an aggregate of 1,042,410 of the 1,500,000 outstanding common shares. They also own a like number of 1,500,000 shares of outstanding Class B common stock, none of which is to be sold. The selling stockholders include several trusts as well as several management officials, including W. R. Wadewitz, board chairman, H. D. Spencer vice chairman, H. M. Benstead, chairman of the executive committee, and H. E. Johnson, president. The largest individual block, 64,000 shares, is held by E. G. Voigt, a director; and he proposes to sell the largest individual block, 12,800 shares.

SEC TO PARTICIPATE IN SOUTHERN ENTERPRISE REORGANIZATION. At the request of Judge Ben C. Connally of the U. S. District Court for the Southern District of Texas, the SEC has filed a notice of appearing in the proceedings under Chapter X of the Bankruptcy Act for the reorganization of Southern Enterprise Corporation, of Houston, Texas (Release CR-138). The company's common stock is held by over 900 shareholders; and its assets are carried at \$1,948,000 and its liabilities are \$1,079,362.

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