

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



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

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FOR RELEASE August 20, 1964

CAPITAL LEASING SUSPENSION PERMANENT. The Commission today announced a decision permanently suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to an offering by Capital Leasing Corporation, of Denver, Colo., of 150,000 shares of its common stock. The exemption had previously been temporarily suspended in the course of the offering.

The Commission found that the offering circular filed by the issuer contained materially misleading statements and that the sale of the corporation's stock by means of the circular violated the anti-fraud provisions of the Act. The offering circular failed to disclose that the issuer was formed and the proposed offering was designed for the purpose of effecting a program of financial relief for American Trailer Rentals Company (ATR). ATR, which managed and rented a fleet of automobile-type utility trailers obtained through sale-leaseback arrangements, had sustained substantial losses in its three years of operations and was not in a favorable position to secure its own financing. The issuer's proposed public offering provided for a purchase price of \$2 per share or, in the alternative, for the transfer by the purchaser to the issuer of trailers on the basis of one share of stock for each \$2 of retail cost of each trailer.

No disclosure was made, among other things, that the offering was being directed to ATR trailer owners, that such persons were merely being offered an opportunity to exchange their rights under the ATR contracts for an equity interest in substantially the same enterprise, that ATR had never operated its system at a profit, and that such offering would be the first step in a financing plan involving a further public offering of securities, with the proceeds to be used for the ultimate reorganization of ATR.

The Commission also noted that the notification did not make the required disclosure that a registration statement filed by ATR with respect to a proposed public offering of \$6,000,000 of securities, consisting of fleet participation contracts and trailer investment contracts, was then pending.

BEARINGS INC. FILES FOR OFFERING AND SECONDARY. Bearings, Inc., 3634 Euclid Ave., Cleveland, Ohio, filed a registration statement (File 2-22695) with the SEC on August 19 seeking registration of 250,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company, and 150,000 shares (being outstanding stock) by the present holders thereof. The offering is to be made through underwriters headed by McDonald & Co., 1250 Union Commerce Bldg., Cleveland. The offering price (\$22 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged in the sale and distribution of ball, roller, thrust and lineal type bearings, and seals, lubricants, locknuts and tools for use therewith. Net proceeds from its sale of additional stock will be used to retire long-term indebtedness, \$1,800,000 of which was incurred in June 1963 to finance the company's purchase of the 100,000 shares of treasury stock the subject of this offering. In addition to indebtedness, the company has outstanding 895,288 common shares. The prospectus lists three selling stockholders, as follows: Joseph M. Bruening (president), offering 45,000 of 106,536 common shares held; Harold C. Schott (board chairman), 45,000 of 95,400; and Joseph J. Schott (director), 60,000 of 124,913.

TWO INDICTED IN STOCK SALE. On August 18th, an indictment was returned by a Federal grand jury (USDC SDNY) charging Herbert Johannes Steel and Alice Jayson (a/k/a Alice Jacobsohn) with conspiring to violate the Securities Act registration and anti-fraud provisions in the sale of stock of Alaska International Corporation (LR-3002).

HISTORIC FIGURES OF VA. FILES FOR OFFERING. Historic Figures of Virginia, Incorporated, 500 26th St., N.W., Washington, D. C., filed a registration statement (File 2-22696) with the SEC on August 19 seeking registration of 100,000 shares of Class A common stock and \$250,000 of 6% debentures (due 1974). The securities are to be offered for public sale through company officials in units consisting of 200 common shares and one \$500 debenture at \$700 per unit.

Organized in February 1964 under Virginia law, the company proposes to construct and operate a museum at Williamsburg, Va., for the display of life-like plastic figures and historical tableaux. Net proceeds derived from its financing proposal, together with a \$275,000 loan, will be used to pay for pre-opening promotional and organizational expenses (including reimbursements to directors), to retire indebtedness of \$133,000 assumed in connection with acquisition of the museum site, to construct and equip the museum building, and to provide working capital. The company has outstanding 5,000 shares of Class C common stock, which were issued to Frank L. Dennis (board chairman and president) for an aggregate of \$500. According to the prospectus, all of its 105,000 Class B common shares will be exchanged for a site for the company's operations. The site is now owned by Arnold G. Wesson (vice president), C. M. Uberman (treasurer) and National Souvenir Center, Inc., a District of Columbia corporation wholly owned by Wesson and Uberman.

CAPITOL FOOD INDUSTRIES FILES FOR OFFERING AND SECONDARY. Capitol Food Industries, Inc., 105 S. LaSalle St., Chicago, today filed a registration statement (File 2-22697) with the SEC seeking registration of 210,000 shares of common stock, of which 135,000 shares are to be offered for public sale by the company and 75,000 shares (being outstanding stock) by the present holders thereof. The offering is to be made through underwriters headed by McCormick & Co., 135 S. La Salle St., and Burton J. Vincent & Co., 105 S. La Salle St., both of Chicago. The public offering price (\$9 per share maximum*) and underwriting terms are to be supplied by amendment.

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The company and subsidiaries are engaged in business as follows: (1) the manufacture and sale of chocolate and other flavorings in their various forms, (2) the processing and sale of orange and other fruit juices and concentrates and (3) engineering and architectural services. Net proceeds from its sale of additional stock will be applied to the retirement of bank indebtedness incurred in connection with the recent acquisition of Chocolate Products Co., and the balance will be added to general funds. In addition to indebtedness, the company has outstanding 526,875 common shares, of which management officials as a group own 47%. The prospectus lists five selling stockholders, as follows: J. H. Johnson (director), offering 39,000 of 86,448 common shares, Carl H. Johnson, offering 22,626 of 58,710 and Evelyn P. Johnson, as trustee under Carl H. Johnson trusts Nos. 1, 2 and 3, offering entire holdings of 4,458 shares each. Burton J. Vincent is company president.

FEDERAL-MOGUL-BOWER FILES STOCK PLAN. Federal-Mogul-Bower Bearings, Inc., 11031 Shoemaker Ave., Detroit, today filed a registration statement with the SEC seeking registration of \$750,000 of interests or participation in its Salaried Employees' Investment Plan, together with 15,000 shares of common stock which may be acquired pursuant thereto.

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified. Copies thereof may be ordered from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with photocopy material when mailed. An index of the caption of the several items of the form was included in the August 3 News Digest.

Carrier Corp, July 64, (3)
Warner & Swasey Co, July 64, (7)

General Foods Corporation, July 64, (11,12,13)
Hawaiian Telephone Co, July 64, (11)

J. I. Case Co, July 64, (12)
Philadelphia Transportation Co, July 64, (7,13)

Nationwide Corp, July 64, (4,7,13)
Sinclair Oil Corporation, July 64, (8)

Buckeye Pipe Line Co, July 64, (12,13)

Bestwall Gypsum Co, July 64, (2)
Frontier Airlines, Inc, July 64, (12)
McCall Corp, Apr 64, (12,13)
Tel-A-Sign, Inc, July 64, (2,11,13)

Chicago South Shore & South Bend RR, July 64,
(12)

Cory Corp, July 64, (12)

H. K. Porter Company, Inc, July 64, (3,13)
Sperry Rand Corp, July 64, (11)

Miami Window Corp, July 64, (4,8,10,11,13)
Southern Natural Gas Company, July 64, (13)
Talley Industries, Inc, July 64, (11)
The Williamhouse Inc, July 64, (12)

Consolidated Chollar Industries, June 64, (2)

Hanover Equities Corp, July 64, (12,13)

Bristol-Myers Co, July 64, (11)
S. Klein Dept Stores, Inc, June 64, (4,7,13)

Alabama Power Co, July 64, (3)
Charter Oil Co Ltd, June 64, (2)
Norman Wiatt Co, Amend #1 for Feb 64,
(1,12,13)
Taft Broadcasting Co, Amend #1 for Apr 64,
(13)
The Deltona Corporation, Amend #1 for Feb 64,
(4)
GMC Co (Formerly: Crampton Mfg Co.) Amend #1
for June 64, (11)

SECURITIES ACT REGISTRATIONS. Effective August 19: Coburn Credit Co., Inc. (File 2-22587); Southern California Gas Co. (File 2-22652).
Effective August 20: H. H. Robertson Co. (File 2-22586).

*As estimated for purposes of computing the registration fee.

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