

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington, D.C. 20549

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

(Issue No. 67-165)

FOR RELEASE August 28, 1967

**GROW CHEMICAL FILES FOR OFFERING AND SECONDARY:** Grow Chemical Corp., 277 Park Avenue, New York, New York 10017, filed a registration statement (File 2-27146) with the SEC on August 24 seeking registration of \$6,000,000 of convertible subordinated debentures, due 1987, to be offered for public sale by the company. Also included in the statement are 60,000 outstanding shares of common stock, to be offered by the present holders thereof. The offerings are to be made through underwriters headed by Shields & Company Incorporated, 44 Wall Street, New York, New York 10005. The interest rate on the debentures, public offering prices (\$17.00 per common share maximum\*) and underwriting terms are to be supplied by amendment.

The company formulates and produces a broad line of specialty chemical coatings, thinners, sealants, adhesives and general purpose paint, and sells these products and a line of solvents and other chemicals to industrial users. Of the net proceeds of its sale of debentures, \$2,800,000 will be used to repay in full certain bank loans incurred for making acquisitions and for working capital; the balance will be added to working capital, to be used for general corporate purposes and in connection with future acquisitions. In addition to indebtedness and preferred stock, the company has outstanding 1,104,312 common shares, of which management officials own 33.56%. The prospectus lists six selling stockholders. Russell Banks (president) proposes to sell 16,251 of his holdings of 68,299 shares and Nancy Hammond and Mary L. Robins, all of their holdings of 16,537 shares each; the others propose to sell shares ranging in amount from 2,000 to 5,000 shares.

**UNION FIDELITY FILES FOR OFFERING AND SECONDARY.** Union Fidelity Corporation, 1515 Locust Street, Philadelphia, Pennsylvania 19102, filed a registration statement (File 2-27148) with the SEC on August 24 seeking registration of 200,000 shares of common stock. Of this stock, 100,000 shares are to be offered for public sale by the company and 100,000 shares (being outstanding stock) by the holders thereof. The public offering price (\$10.00 per share maximum\*) and underwriting terms are to be supplied by amendment. New York Hanseatic Corporation, 60 Broadway, New York, New York 10004 is listed as the principal underwriter.

Organized as a business corporation under Delaware law on June 30, 1967, the company recently acquired all of the outstanding shares of capital stock of Union Fidelity Life Insurance Company ("Union Fidelity Life") which is primarily engaged in the business of selling health and accident insurance to individuals, principally hospital expense, hospital income and medical-surgical policies. Of the net proceeds to be received from its sale of additional stock, \$500,000 will be invested in Union Fidelity Life and \$95,000 will be used to purchase all of the stock of Fifteen Fifteen Locust Corporation, now owned by Union Fidelity Life. In addition to indebtedness, the company has outstanding 621,990 common shares, all owned by management officials. Harry T. Dozor, president and board chairman, proposes to sell 100,000 of his holdings of 610,740 shares (98.2%).

**AUTOMATION INDUSTRIES FILES FOR OFFERING AND SECONDARY.** Automation Industries, Inc., 650 North Sepulveda Boulevard, El Segundo, California 90245, filed a registration statement (File 2-27150) with the SEC on August 25 seeking registration of 300,000 shares of common stock. Of this stock, 200,000 shares are to be offered for public sale by the company and 100,000 shares (being outstanding stock) by the holders thereof. The public offering price (\$33.00 per share maximum\*) and underwriting terms are to be supplied by amendment. Eastman Dillon, Union Securities & Co., One Chase Manhattan Plaza, New York, New York 10005 is listed as the principal underwriter. The prospectus also covers 54,442 shares of common stock, 3,040 shares of preferred stock--Series A, and 1,901 shares of preferred stock--Series B, issuable upon the exercise of options, and 60,724 shares of common stock purchased in May and June 1967 by the selling shareholders for an aggregate purchase price of \$390,195 upon their exercise of options issued by the company in 1963 in connection with its acquisition of two companies. These shares (or the shares of common stock into which the preferred stock may be converted) may be sold from time to time in the over-the-counter market at prices prevailing at the time of sale.

The company is engaged in the aerospace structures business, in the manufacture and sale of non-destructive testing equipment, and in the design, manufacture and sale of flexible tubing. Net proceeds of the sale of additional stock will be added to its general funds; sums received from the sale of the common stock and preferred stock upon exercise of options will be added to working capital and used for general corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 2,013,895 common shares, of which management officials own 42% (including 36% owned by Corwin D. Denny, president). Mr. Denny proposes to sell 100,000 of his holdings of 731,648 shares.

**NORRIS INDUSTRIES FILES EXCHANGE PLAN.** Norris Industries, Inc., 5215 South Boyle Ave., Los Angeles, California, 90058, filed a registration statement (File 2-27151) with the SEC on August 25 seeking registration of 164,353 shares of common stock. Norris proposes to offer these shares in exchange for 577,995 shares of Waste King Corp. common stock presently outstanding, or which may become outstanding as a consequence of the exercise of outstanding Waste King stock options prior to the expiration of the exchange offer, and for the 95,170 shares of Waste King Series C 6% cumulative convertible \$17.50 par preferred stock. The Norris shares are to be offered at the rate of one share of Norris common for each 4.92 shares of outstanding Waste King common, and .49 share of Norris common for each outstanding Waste King preferred share.

Norris is engaged in the manufacture, distribution and selling of various metal products for military, industrial and housing and household markets. Waste King manufactures and sells household appliances, including garbage disposals and dishwashers as well as gas and electric range and oven appliances. Norris' prospectus indicates that the product lines and marketing activities of Waste King will complement Norris' products and market activities and will provide further diversification in Norris' business. In addition to indebtedness, Norris now has outstanding 2,638,414 shares of common stock, of which management officials own some 48.8%.

JIM WALTER CORP. SHARES IN REGISTRATION. Jim Walker Corporation, 1500 North Dale Mabry Highway, Tampa, Fla., filed a registration statement (File 2-27153) with the SEC on August 25 seeking registration of 13,802 shares of common stock. Such shares are part of a block of 56,666 shares of Jim Walter common to be issued upon its acquisition of all the outstanding stock of Alger-Sullivan Company, and may be offered for sale by the four recipients thereof (at \$45 per share maximum\*).

CONTINENTAL TELEPHONE SHARES IN REGISTRATION. Continental Telephone Corporation, 130 South Bemiston, St. Louis, Mo. 63105, filed a registration statement (File 2-27154) with the SEC on August 25 seeking registration of 188,236 shares of common stock. The shares were acquired by Telephone and General Trust Limited ("Trust") in connection with the sale of its interest in a telephone property to Continental; and the Trust has advised Continental that it proposes to offer the stock for sale on the New York Stock Exchange, or otherwise, at prices then obtainable (\$29.125 per share maximum\*). In addition to indebtedness and preferred stock, Continental has outstanding 16,041,811 common shares. Phillip J. Lucier is president and Charles Wohlstetter board chairman.

CONGRESSIONAL LIFE PROPOSES OFFERING. Congressional Life Insurance Company, 1422 Chestnut St., Philadelphia, Pa. 19102, filed a registration statement (File 2-27155) with the SEC on August 25 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$15 per share. The offering is to be made on a best effort basis by Hills & Hills, 136 N. Duke St., Lancaster, Pa., 17602, which will receive a \$1.20 per share selling commission.

The company was organized under Pennsylvania law in June 1965 as a stock life insurance company; it is authorized to transact insurance business in Pennsylvania and Delaware. Net proceeds of its stock sale will be added to the company's general funds, of which from \$250,000 to \$500,000 will be applied to the cost of opening and staffing company-owned agencies; an unspecified amount will be used to develop and conduct an advertising program; and the balance will be added to the company's general funds and will assist the company to expand its operations to other states. The company now has outstanding 300,000 shares all owned by Congressional Life Company except directors' and incorporators' qualifying shares. Thomas T. Fleming is listed as board chairman and George S. Krieglner president. The board of directors of the company and its parent are identical; and management officials of the parent, as a group, own 93,000 shares or 48.9% of the total number of outstanding shares of the parent.

STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC proposing the offering of securities under employee savings, stock option and other plans, as follows:

Georgia International Life Insurance Company, Atlanta, Georgia 30308 (File 2-27149) - 20,000 shares  
Allied Stores Corporation, New York, New York 10016 (File 2-27152) - 420,334 shares.

CORRECTION RE BRINKMANN INSTRUMENTS: The SEC News Digest of August 11 should have stated that of the 150,000 shares being registered by Brinkmann Instruments, Inc. (File 2-27069), 75,000 shares (not 150,000) are to be offered for public sale by the company and the 75,000-share balance by the present holders thereof.

FOUR FUNDS DEREGISTERED. The SEC has issued orders under the Investment Company Act declaring that the following have ceased to be investment companies and that their registrations as such are no longer in effect:

Hanna Diversified Investments, Inc., Boston (Rel. IC-5064)  
Electro-Science Investors, Inc., Dallas (Rel. IC-5066)  
Economy Fund, Dubuque, Iowa (Rel. IC-5067)  
Development Corporation of America, New York (Rel. IC-5068)

According to the application of the latter ("DCA"), it was indebted on July 31 to all shareholders in the sum of \$6,995.70 which shareholders had failed to present their shares for redemption. The sum was deposited on that date with the Marine Midland Grace Trust Company of New York ("Marine"), as escrow agent for the said security holders. Marine has agreed to act as escrow agent, to invest the escrowed funds in the U. S. Government obligations and to hold and disburse the principal together with the interest earned thereon to the 11 persons upon presentation to Marine of the requisite stock certificates in satisfactory form.

NORTH AMERICAN RESEARCH TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending over-the-counter trading in securities of North American Research & Development Corp., for the further ten-day period August 29 through September 7, 1967, inclusive.