

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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NHA INC. FILES FOR OFFERING AND SECONDARY. NHA, Inc., Great Southwest International Airport, Fort Worth, Texas 76125, filed a registration statement (File 2-30321) with the SEC on September 27 seeking registration of 254,300 shares of common stock, of which 140,000 are to be offered for public sale by the company and 114,300 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by Rauscher Pierce & Co. Inc., 1200 Mercantile Dallas Bldg., Dallas, Tex. 75201; the offering price (\$18 per share maximum*) and underwriting terms are to be supplied by amendment. The company has sold the Rauscher firm, for \$150, five-year warrants to purchase 15,000 shares.

Organized in June, the company has acquired all of the business and assets of a sole proprietorship owned by Norman L. Harwell, its president, which had been operating since May 1966; it is engaged in the preparation of technical publications and in providing engineers and other technically trained personnel to its customers; it also provides design and drafting services to its customers and produces and markets visual teaching and training aids. Of the net proceeds of its stock sale, \$290,000 will be used to repay short-term bank debt the proceeds of which were used as working capital and \$221,578 to repay a promissory note held by Harwell which was issued to him in connection with the company's acquisition of the predecessor's business; the balance will be added to working capital. The company has outstanding 512,800 common shares, of which Harwell owns 39.6% and management officials as a group 99.4%. Harwell proposes to sell 48,000 of 203,000 shares held and three other officers 21,600 shares each; the balance will be sold by one other person.

LOCKWOOD CORP. TO SELL STOCK. Lockwood Corporation, Gering, Nebr. 69341, filed a registration statement (File 2-30324) with the SEC on September 27 seeking registration of 190,000 shares of common stock, to be offered for public sale through underwriters headed by Rauscher Pierce & Co., Inc., 1200 Mercantile Dallas Bldg., Dallas, Tex. 75201. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment. The Rauscher firm has acquired five-year warrants to purchase 15,000 shares, initially exercisable (after one year) at 107% of the offering price.

Organized under Delaware law in June, the company in July acquired substantially all of the assets of the Lockwood Division of Seilon, Inc. and all of Seilon's interest in the seven wholly-owned Lockwood Grader distributing corporations. The consideration therefor was the company's assumption of certain liabilities, the issuance to Seilon of 1,000,000 shares of its Class A stock and a note of \$1,150,000, and the acknowledgment of a \$50,000 account payable to Seilon. The company designs and manufactures specialized agricultural machinery, which includes a complete line of equipment for planting, harvesting, storing and the fresh market processing of potatoes and other tuberous or bulbous-type crops. Of the net proceeds of its stock sale, \$1,150,000 is to be used for the retirement of the note payable to Seilon and the balance for working capital purposes. In addition to bank loans and certain other indebtedness, the company has outstanding the 1,000,000 Class A shares owned by Seilon. John H. Hickman is board chairman and Fred W. Schneider is president and chief executive officer. Hickman has been board chairman and chief executive officer of Seilon since April 1968, and Schneider has been associated with Lockwood and its predecessors for the past four years.

HY-LONG ENTERPRISES TO SELL STOCK. Hy-Long Enterprises, Plaza Bldg., Sonoma, Calif. 95407, filed a registration statement (File 2-30325) with the SEC on September 27 seeking registration of 250,000 shares of common stock, to be offered for public sale through underwriters headed by Stanley Heller & Co., 44 Wall St., New York 10005. The offering price (\$6 per share maximum*) and underwriting terms are to be supplied by amendment. The company has agreed to pay the underwriters \$12,500 for expenses; it has sold the Heller firm 7,000 shares for \$14,000; and it has agreed to issue 2,500 shares to George DeHaven and Edward Deutsch as a finder's fee.

Organized in June under California law, the company has or will acquire ownership of 11 entities, operating 10 convalescent hospitals which they either leased or owned. Its present management was previously responsible for the operation and management of all of the 10 convalescent hospitals. Upon such acquisition, the company will operate the 10 convalescent hospitals, containing an aggregate of 950 licensed beds, which are located throughout the State of California. Of the net proceeds of its stock sale, \$203,000 will be used to repay \$170,000 of short-term obligations and \$33,000 of long-term debt, \$300,000 in connection with the opening of two facilities in 1968 and \$150,000 for the opening of an additional facility in May 1969, \$435,000 for application toward construction, furnishing and initial operating capital for two additional facilities in mid-1969; the balance will be used for working capital. In addition to indebtedness, the company has or will have outstanding upon consummation of the purchase and exchange transactions involved in its acquisition of the 11 entities and the purchase of certain land, an aggregate of 443,680 common shares (with a \$1.32 per share book value). Jack L. Breitigam, board chairman, and Dr. G. Michael Beitz, president, will each own 125,455 shares, or 28.3%, and management officials as a group 70%.

OVER

TRANSCONTINENTAL GAS PIPE LINE TO SELL BONDS. Transcontinental Gas Pipe Line Corporation, 3100 Travis St., Houston, Texas 77001, filed a registration statement (File 2-30326) with the SEC on September 27 seeking registration of \$40,000,000 of first mortgage pipe line bonds, due 1989, to be offered for public sale through underwriters headed by White, Weld & Co., 20 Broad St., and Stone & Webster Securities Corp., 90 Broad St., both of New York. The interest rate, offering price and underwriting terms are to be supplied by amendment. Of the net proceeds of its bond sale, the company will apply \$38,000,000 to the prepayment of notes representing borrowings under its revolving credit agreement with six banks (\$55,000,000 of notes were outstanding on September 15); the balance will be added to the general funds of the company and be available for construction and other corporate purposes. Construction expenditures are estimated at \$165,000,000 in 1968 and \$150,000,000 in 1969, of which \$113,400,000 had been expended at August 31.

BERG INC. TO SELL STOCK. Winfred M. Berg, Inc., 499 Ocean Ave., East Rockaway, L.I., N.Y. 11518, filed a registration statement (File 2-30327) with the SEC on September 27 seeking registration of 100,000 common shares, to be offered for public sale through L. Flomenhaft & Co., Inc., 76 Beaver St., New York 10005. The offering price (\$5 per share maximum*) and underwriting terms are to be supplied by amendment. The company will pay the underwriter \$2,500 for expenses and sell to it, for \$100, five-year warrants to purchase 10,000 shares.

The company is a manufacturer and mail-order distributor of precision mechanical components and power-transmission equipment for use in a variety of computer, electronic, aerospace and other applications; a subsidiary engages in the preparation by computer and the sale to non-competitive businesses of specialized mailing lists based upon the company's own extensive mailing list covering the technically oriented industries to which the company's products are sold. Of the net proceeds of its stock sale, some \$250,000 is to be applied to the building of inventory of catalogued items and the balance for other corporate purposes. In addition to indebtedness, the company has outstanding 375,000 common shares (with a 6¢ per share book value), of which Winfred M. Berg, president, owns 62.7% and management officials as a group 77.7%. Purchasers of the 100,000 shares being registered will acquire a 21% stock interest in the company, at a cost of \$500,000;* present shareholders will then own a 79% interest, for which they paid \$200,000 or about 53¢ per share.

CHESAPEAKE INDUSTRIES FILES FOR OFFERING AND SECONDARY. Chesapeake Industries, Inc., 1106 Spring St., Silver Spring, Md. 20910, filed a registration statement (File 2-30328) with the SEC on September 27 seeking registration of 300,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 150,000 (being outstanding shares) by the present holders thereof. The offering is to be made through underwriters headed by New York Securities Co., 1 Whitehall St., New York 10004; the offering price (\$11 per share maximum*) and underwriting terms are to be supplied by amendment. Also included in the statement are \$120,000 of subordinated 7% convertible debentures sold for cash at par to certain partners of New York Securities and to Drexel Harriman Ripley, Inc., which debentures are convertible into common shares at a conversion price of \$8 per share.

The company is primarily engaged in the manufacture of wooden flush doors. Of the net proceeds of its sale of additional stock, \$1,000,000 will be used for expansion of its production capacities and related additions to working capital, "in order to create greater production capacity and to permit diversification into other related millwork products." The company also intends to install a flush door manufacturing operation in one of its existing facilities at a cost of about \$250,000; the balance of the proceeds will be used as additional working capital. In addition to indebtedness, the company has outstanding 855,600 common shares, of which Ralph M. Johnson, Jr., president, owns 65.3% and management officials as a group 76.5%. Johnson proposes to sell 58,000 of his holdings of 558,534 shares and Harry B. Marcus, of Boca Raton, Fla., 40,000 of 91,845; eight others propose to sell the balance of the shares being registered.

CHELSEA INDUSTRIES FILES FINANCING PROPOSAL. Chelsea Industries, Inc., 181 Spencer Ave., Chelsea, Mass. 02150, filed a registration statement (File 2-30329) with the SEC on September 27 seeking registration of \$12,500,000 of convertible subordinated debentures, due 1993, and 304,268 shares of common stock (of which 104,268 shares are now outstanding). These securities are to be offered for public sale through underwriters headed by Hayden, Stone, Inc., 25 Broad St., New York 10004, and Dempsey Tegeler & Co., Inc., 1000 Locust St., St. Louis, Mo. 63101; the offering prices (\$42 per common share maximum*) and underwriting terms, as well as the interest rate on the debentures, are to be supplied by amendment.

The company is a diversified manufacturer and supplier of specialized textile and other products primarily for the shoe and apparel industries. Chelsea also extrudes, molds and converts polyethylene film, vinyl and thermoplastics and manufactures and distributes various consumer products, principally silver giftware items. According to the prospectus, the company has two acquisitions pending, Western Dairy Products, Inc. and Tape-Craft, Inc. Of the net proceeds of its sale of debentures and 200,000 of the shares being registered, \$7,800,000 will be used for the purchase of all of the outstanding stock of Western Dairy, \$5,350,000 will be applied to the repayment of short and long term borrowings incurred principally in connection with the 1968 acquisition of three companies and options to acquire Western Dairy stock, and \$1,000,000 will be used for the expansion of the company's polyethylene film manufacturing facilities; the balance will be added to working capital and used for general corporate purposes. In addition to indebtedness, the company has outstanding 1,436,900 common shares, of which David Casty, president and board chairman, owns 11.7%, Ben Faneuil, a director, 11.6%, and management officials as a group 48.7%. Casty proposes to sell 50,000 of his holdings of 168,198 shares, and Phillip F. Faneuil 45,000 of 80,847. Two others will sell the remaining shares being registered.

COMPO INDUSTRIES FILES EXCHANGE PLAN. Compo Industries, Inc., 125 Roberts Rd., Waltham, Mass., filed a registration statement (File 2-30330) with the SEC on September 27 seeking registration of 7,095 shares of common stock. It is proposed to offer this stock in exchange for a maximum of 17,133 shares of common stock of Reece Folding Machine Company. Compo now has outstanding 505,707 common shares.

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UPLAND CORP. TO SELL STOCK. Upland Corporation, 115 - 6th St., Upland, Pa. filed a registration statement (File 2-30331) with the SEC on September 27 seeking registration of 90,000 shares of common stock, to be offered for public sale at \$10 per share through underwriters headed by Smith, Jackson & Co., Inc., 17 Battery Pl., New York 10004, and Charles A. Taggart & Co., Inc., 1529 Walnut St., Philadelphia, Pa. 19102. The underwriters will receive a \$1 per share commission plus \$27,500 for expenses; the two principal underwriters have acquired 5,000 common shares each at 10¢ per share, which shares may not be sold until 1970.

The company was organized in August by John Kuc, president, and Bernard R. Cahan, treasurer, for the purpose of acquiring all the outstanding stock of Upland Industries, Inc., most of which are owned by relatives of John Kuc and which company will be operated as a wholly owned subsidiary. Upland Industries is engaged in the design, manufacture and distribution of various mechanics' hand tools; a substantial portion of its sales has been to the U. S. Government under contracts awarded by GSA through competitive bidding. The company now owns 33.27% of the outstanding stock of Industries and the right to acquire all of the remaining stock. Of the net proceeds of this offering, the company will use \$601,200 to acquire the remaining shares; the balance of the proceeds will be used for other purposes, including additional equipment. Subsequent to the offering, John Kuc will own 39.7% of the outstanding shares and other management officials and the two principal underwriters will own 25.3%.

NORDON CORP. TO SELL STOCK. Nordon Corporation Limited, 2625 Line Ave., Shreveport, La. 71104, filed a registration statement (File 2-30332) with the SEC on September 27 seeking registration of 550,000 shares of common stock and warrants for the purchase of a like number of shares. It is proposed to offer these securities for public sale in units, each consisting of one share and one warrant. Offering price (\$10.10 per unit maximum*) and underwriting terms, as well as the names of the underwriters, are to be supplied by amendment. The company will grant the underwriters five-year options to purchase 55,000 shares, exercisable initially after one year at the offering price.

The company is engaged in the business of acquiring and developing oil and gas properties and drilling for, producing, transporting, and selling crude oil and natural gas, as well as being engaged in contract drilling and well servicing of oil and gas wells. In addition, gas compression, gas transportation and oil transportation services are provided by its wholly owned subsidiary, Petroleum Purchasing Company, Inc., through its pipelines and compressor facilities located in Louisiana, Arkansas and Texas. Of the net proceeds of its stock sale, \$4,000,000 will be applied in reduction of a \$13,982,640 first mortgage note held by Whitney National Bank of New Orleans, \$551,000 in reduction of trade accounts payable, and \$480,000 for drilling and completion of 8 development wells in which the company owns a 52.5% working interest. In addition to indebtedness, the company has outstanding 2,339,266 common shares, of which J. C. Trahan, a director, owns 30%, George Platt, board chairman and president, 9.2%, Darrell P. Miller, vice president, 11.1%, Cerro Corporation 10.8%, and management officials as a group 64.7%. According to the prospectus, the company sustained a net loss of 16¢ per share for the six months ended June 30, 1968; on that date, it had an \$8,167,403 deficit in working capital (excess of \$9,990,869 of current liabilities over \$1,823,466 of current assets).

RANCHERS PACKING TO SELL STOCK. Ranchers Packing Corp., 10 Charles St., New Hyde Park, N. Y. 11001, filed a registration statement (File 2-30333) with the SEC on September 27 seeking registration of 125,000 shares of common stock, to be offered for public sale at \$6 per share. The offering is to be made through underwriters headed by Brand, Grumet & Seigel, Inc., 49 West 33rd St., New York 10001, which will receive a 60¢ per share commission plus \$15,000 for expenses. In addition, the company will sell to the underwriters, for \$125, six-year warrants to purchase 12,500 shares, exercisable after one year at \$6.60 per share.

Since 1965, the company has been engaged in the processing, packaging and sale of frozen meat products. Of the net proceeds of its stock sale, \$150,000 will be used to build a new processing plant and storage area and the balance for working capital. In addition to indebtedness, the company has outstanding 275,000 common shares (with a 44¢ per share book value), of which Martin Rochman, president, owns 27%, and his wife 20%, and Sidney Horowitz, board chairman 11% and his wife 11%. Sale of the 125,000 shares being registered will increase the book value from 44¢ to \$2.18 per share; thus, the purchasers will suffer an immediate dilution in book value of \$3.82 from the offering price.

CANNON CRAFT TO SELL STOCK. Cannon Craft Company, 106 Longino St., Sulphur Springs, Texas 75482, filed a registration statement (File 2-30334) with the SEC on September 27 seeking registration of 200,000 shares of common stock, to be offered for public sale at \$3 per share. The offering is to be made by Brown Allen & Co., 600 Vaughn Bldg., Dallas, Texas 75201, which will receive a 30¢ per share commission; it also has an option to purchase an additional 20,000 shares of the stock of the company from those shares being registered at a price of \$3.75 per share.

The company's principal business is the manufacture and sale of louvered wood products, including decorative shutters and louvered and panelled decorative doors. Net proceeds of its stock sale will be added to working capital and used for general corporate purposes. The company now has outstanding 1,050,000 common shares, all owned by Prop, Inc., of Dallas. George M. Wunderlick is president and board chairman.

SIMCO STORES FILES FOR SECONDARY. Simco Stores, Inc., 385 Gerard Ave., The Bronx, N. Y. 10451, filed a registration statement (File 2-30336) with the SEC on September 27 seeking registration of 300,000 outstanding shares of common stock. The stock is to be offered for public sale by the holder thereof, through underwriters headed by Bear, Stearns & Co., 1 Wall St., New York 10005. The offering price (\$10 per share maximum*) and underwriting terms are to be supplied by amendment.

The company (formerly I. Simon Company, Inc.) operates a chain of 31 stores which sell women's footwear, handbags, hosiery and related items at retail. It has outstanding 1,000,000 common shares, of which Milton Simon, president, owns 985,000 and proposes to sell 300,000.

INVESTORS GUARANTY LIFE TO SELL STOCK. Investors Guaranty Life Insurance Company, 4680 Wilshire Blvd., Los Angeles, Calif. 90005, filed a registration statement (File 2-30337) with the SEC on September 27 seeking registration of 100,000 shares of capital stock, to be offered for public sale through underwriters headed by Eastman Dillon, Union Securities & Co., 1 Chase Manhattan Plaza, New York 10005. The offering price (\$24 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is a life insurance company engaged primarily in offering individual whole life and term life policies on a non-participating basis exclusively through general agents also licensed as securities dealers. Most of the insurance sold is decreasing term designed to complement mutual fund investment programs. Net proceeds of its stock sale will be added to general corporate funds so that capital and surplus will be increased to permit the company to retain a larger portion of business written. The company now has outstanding 453,152 shares, of which 62.04% is owned by Farmers Underwriters Association of Los Angeles and 20.86% by I.G.L. Associates of San Francisco. Lawrence E. Strausz is president.

INFORMATION INDUSTRIES TO SELL STOCK. Information Industries, Inc., 148 East Lancaster Ave., Wayne, Pa. 19087, filed a registration statement (File 2-30338) with the SEC on September 27 seeking registration of 260,000 shares of common stock, to be offered for public sale through underwriters headed by Robinson & Co., Inc., 42 S. 15th St., Philadelphia, Pa. The offering price (\$11 per share maximum*) and underwriting terms are to be supplied by amendment. The company will pay the underwriters \$15,000 for expenses; it has agreed to sell 13,750 shares to the Robinson firm for \$1 per share, and to issue it warrants to purchase 7,000 shares at \$1 per share.

Organized in January 1968 by Dr. Rocco L. Martino, it acquired three companies previously owned by him, and is engaged in the computer industry and general business education fields. Of the net proceeds of its stock sale, \$1,300,000 will be applied toward the purchase and rental of a Control Data Corporation Model 6400 computer system, and rentals of other computing systems, \$375,000 for the continuation of studies and the initiation of additional feasibility studies to define computer applications for which proprietary software packages might be developed, and to fund marketing programs for the packages if warranted, \$375,000 to fund computer time, software package and consulting, marketing programs and for site preparation relating to premises in which the computer equipment is to be located, and \$200,000 to repay bank borrowings; the balance will be added to working capital for the business education activities work in process relating to manuscript preparation, editing and publishing, the preparation, advertising and presentation of educational programs, schools and seminars, and other purposes. The company now has outstanding 600,000 shares of common stock (with a 17¢ per share book value), of which management officials and family members own 510,000 shares. Purchasers of the 260,000 shares will own a 30.2% stock interest in the company at a cost of \$2,860,000*; management officials will then have a 59.3% interest, at a total cost of \$62,018 (or \$0.115 per share).

NORTHEAST UTILITIES FINANCING CLEARED. The SEC has issued an order under the Holding Company Act (Release 35-16175) authorizing Northeast Utilities, Boston holding company, to offer and sell to its shareholders 1,684,085 additional shares of common stock. Stockholders will be entitled to purchase the stock on the basis of one additional share for each 20 shares held. Unsubscribed shares will be offered for public sale at competitive bidding. Net proceeds of its stock sale will be used by Northeast Utilities to make cash capital contributions aggregating \$25,000,000 to three utility subsidiaries, which will use the funds, together with the proceeds of their sale of some \$80,000,000 of bonds, for property additions and improvements and other corporate purposes. The subsidiaries are The Connecticut Light and Power Company, The Hartford Electric Light Company and Western Massachusetts Electric Company.

MILES LABORATORIES RECEIVES ORDER. The SEC has issued an order under the Trust Indenture Act (Release TI-255), on application of Miles Laboratories, Inc., Elkhart, Ind., determining that First National City Bank might serve as trustee under an indenture pursuant to which a subsidiary Miles International, Inc., has issued \$15,000,000 of 4-3/4% subordinated guaranteed convertible debentures, due 1993 (guaranteed by Miles Laboratories), without giving rise to any material conflict of interest. The said Bank now serves as trustee under an indenture pursuant to which \$2,251,900 of the parent company's debentures are issued and outstanding.

STOCK PLANS FILED. The following companies have filed Form S-8 registration statements with the SEC proposing the offer of stock under employee stock option and similar plans:

The Oil Shale Corporation, New York 10019 (File 2-30335) - 450,000 shares
Cyclops Corporation, Pittsburgh, Pa. 15228 (File 2-30344) - 60,000 shares
Anderson Electric Corporation, Leeds, Ala. (File 2-30340) - 42,000 shares
Digital Equipment Corporation, Maynard, Mass. (File 2-30342) - 30,000 shares

CORRECTION RE DATATAB. The SEC News Digest of September 16 reported a stock offering proposal by Datatab, Inc., 315 Park Avenue South, New York, N. Y. The offering involves 110,000 common shares and 55,000 common share purchase warrants, to be offered in units consisting of 2 shares and 1 warrant (not 55,000 shares and 55,000 warrants, as reported).

PERFORMANCE ANALYSIS FUND FILES FOR OFFERING. Performance Analysis Fund, Inc., 140 Broadway, New York 10005, filed a registration statement (File 2-30339) with the SEC on September 27 seeking registration of 5,000,000 shares of common stock. The shares are to be offered for public sale initially at \$12.50 per share and thereafter at net asset value (without a sales load). Arthur Lipper Corporation, 140 Broadway, New York 10005, is the underwriter. Arthur Lipper III, president and board chairman of the underwriter, is president and chief executive officer of the Fund. PAF Advisory Company, Ltd., a wholly-owned subsidiary of the underwriter, will serve as investment advisor.

ALBERTS FILES FOR SECONDARY. Alberts, Inc., 10811 North End St., Ferndale, Mich. 48220, filed a registration statement (File 2-30341) with the SEC on September 27 seeking registration of 193,750 outstanding shares of common stock, to be offered for public sale through underwriters headed by A. G. Becker & Co. Incorporated, 120 South LaSalle St., Chicago, Ill. 60603. The offering price (\$15 per share maximum*) and underwriting terms are to be supplied by amendment. A \$5,000 finder's fee is payable to Marvin A. Marder.

The company, through its subsidiaries, operates a chain of 25 women's specialty stores in Michigan, Illinois and Ohio. The stores sell a wide selection of nationally advertised ready-to-wear apparel which includes coats, suits and dresses and smallwear (sportswear, lingerie and accessories) in the moderate to better price range, in junior petite and misses sizes. In addition to indebtedness, the company has outstanding 755,000 common shares, of which William B. Klinsky, president, and Ernest J. Schwartz, board chairman (together with their respective wives) own 45.83% each and the Bertha Schwartz Estate 8.33%. The Klinskys and Schwartzes propose to sell 96,875 shares each.

DIGITAL EQUIPMENT FILES STOCK PLAN. Digital Equipment Corporation, 146 Main St., Maynard, Mass. 01754, filed a registration statement (File 2-30343) with the SEC on September 27 seeking registration of 60,000 common shares issuable from time to time to certain employees of the company and its subsidiaries upon the exercise of options granted under the company's 1968 Restricted Stock Purchase Plan.

ALABAMA OXYGEN FILES FOR OFFERING AND SECONDARY. Alabama Oxygen Company, Inc., 2028 Vanderbilt Road, Birmingham, Ala. 35234, filed a registration statement (File 2-30345) with the SEC on September 27 seeking registration of 500,000 shares of common stock, of which 300,000 are to be offered for public sale by the company and 200,000 (being outstanding shares) by the present holders thereof. The shares are to be offered at \$5 per share through Myron A. Lomasney & Co., 67 Broad St., New York 10004, which will receive a 40¢ per share commission. The company has agreed to pay the underwriter \$7,500 for expenses and to sell it, for \$300, five-year warrants to purchase 30,000 common shares, exercisable initially at \$5.50 per share. The underwriter has agreed to pay Daniel Schiff \$6,000 for his services as a "finder" and to sell him 4,500 warrants at its cost.

The company manufactures, distributes and markets compressed and liquefied oxygen and nitrogen, and compressed hydrogen and acetylene gases. It also distributes and markets helium and other products including nitrous oxide and cyclopropane, as well as a wide range of gas cutting and electric welding equipment. Of the net proceeds of its sale of additional stock, the company will use \$400,000 to expand its liquid oxygen and nitrogen customer stations programs, \$300,000 to expand and relocate some existing service centers and open or acquire service centers or other businesses, \$200,000 to purchase and modernize additional delivery and distribution equipment, and \$100,000 to expand its liquid oxygen and nitrogen producing facilities at Bessemer and remove some equipment now at Birmingham to Bessemer; the balance will be added to working capital and used for general corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 1,140,000 common shares, of which Max L. Kimerling, board chairman and president, owns 54.14%, Hyman Kimerling, vice president, 25.58%, and Solomon P. Kimerling, executive vice president, 20.14%. Max, Hyman, Solomon and Tillie Kimerling propose to sell 108,280, 51,160, 40,280 and 280 shares, respectively, of 617,162, 291,566, 229,630 and 1,642 shares held.

GULF RESOURCES & CHEMICAL FILES FOR SECONDARY. Gulf Resources & Chemical Corporation, 2125 Tennessee Bldg., Houston, Tex. 77002, filed a registration statement (File 2-30346) with the SEC on September 30 seeking registration of 7,750 outstanding shares of Series A cumulative convertible preferred stock (\$1 par). Such shares may be offered for sale from time to time by the present holder thereof at prices prevailing at the time of sale (\$42 per share maximum*).

Through subsidiaries, the company is engaged in the business of mining, smelting, refining and marketing non-ferrous metals, including lead, zinc, cadmium and silver; in the exploration for, mining, transporting, storing and marketing of sulphur; and in the production and sale of lithium metals and lithium salts and compounds. In addition to indebtedness and preferred stock, the company has outstanding 2,793,441 common shares, 356,219 Series A and 966,779 Series B preferred shares. Harry D. Feltenstein, Jr., a director of the company and president of its subsidiary, Lithium Corporation of America, proposes to sell 7,750 shares of 14,490 Series A preferred shares held, which were acquired upon exercise of two restricted stock options. Robert H. Allen is president.

TAPE/NET PROPOSES OFFERING. Tape/Net, Inc., 250 W. 57th St., New York, N. Y., filed a registration statement (File 2-30347) with the SEC on September 30 seeking registration of 150,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made through underwriters headed by A. D. Gilhart & Co., Inc., 295 Madison Ave., New York, N. Y. 10017, which will receive a 50¢ per share commission and \$7,500 for expenses. The company has agreed to sell the Gilhart firm, for \$150, six-year warrants to purchase 15,000 common shares, exercisable after one year at \$6 per share.

Organized under Delaware law in August 1968, the company will engage in the production and distribution of television programs for television stations, networks and advertisers and the production and distribution of animated cartoons for entertainment and educational purposes for television, motion picture theatres and schools. In September 1968, it acquired from Stephen F. Krantz, president, and others all the outstanding capital stock of two corporations engaged in the production and distribution of television programs and animated cartoons. Of the net proceeds of its stock sale, the company will use \$100,000 to expand its selling and distribution efforts, including hiring of additional sales personnel and opening of additional sales offices, \$50,000 towards promotion of film and entertainment properties, including expenditures for advertising and promotion, and \$100,000 for the expansion of its production facilities, including acquisition of new and additional equipment; the balance will be added to general corporate funds and used for working capital, part of which may be used to develop and acquire additional entertainment properties for television and motion pictures and to acquire other related businesses in the entertainment, education and leisure time field. The company has outstanding 400,000 common shares (with a \$1.10 per share book value), of which Stephen F. Krantz owns 81% and management officials as a group 96%.

GF INDUSTRIES FILES FOR SECONDARY. GF Industries, Inc., 100 West Clarendon, Phoenix, Ariz., filed a registration statement (File 2-30348) with the SEC on September 30 seeking registration of 364,340 outstanding shares of common stock. These shares may be offered for public sale by the present holders thereof from time to time at prices current at the time of sale (\$10 per share maximum*). No underwriting is involved.

The company is engaged, through subsidiaries, in the manufacture and sale of millwork products and the fabrication of reinforcing steel, in the manufacture and sale of resistance welders, cutters and other machine tools, and in furnishing computerized services to the non-ferrous mining industry and in conducting computerized exploratory oil and gas drilling operations, providing drilling services and operating oil and gas properties. In addition to indebtedness and preferred stock, the company has outstanding 1,710,726 common shares, of which A. J. Nicoli, board chairman, owns 9.6%, his wife 5.7% and management officials as a group 10.4%. Roy M. Horsey proposes to sell all of his holdings of 46,000 shares, Richard F. Hewlett all of 40,000, Maxwell Wallenstein all of 35,000, Bosworth & Co. all of 25,000 shares and 36 others the remaining shares being registered. Bernard G. LeBeau is president.

HORACE MANN EDUCATORS PROPOSES EXCHANGE OFFER. Horace Mann Educators Corporation, 216 E. Monroe St., Springfield, Ill., filed a registration statement (File 2-30349) with the SEC on September 30 seeking registration of 247,348 shares of common stock. It is proposed to offer these shares in exchange for the 449,723 presently outstanding common shares of Educators Life Insurance Company of America, at the rate of .55 share for each Educators Life share. Pacific Employers Insurance Company, a wholly-owned subsidiary of Insurance Company of North America, has declared its intention to tender its 226,916 shares of Educators Life (representing 50.4%) and the board of directors and their family members of Educators Life have declared their intention to tender their 11,909 shares (2.5%).

Horace Mann Educators was organized under Delaware law in February 1968 for the purpose of becoming the parent company of Horace Mann Life Insurance Company. Pursuant to a plan of exchange to be effective in October 1968 between the company and Horace Mann Life Insurance, common shares of Horace Mann Life Insurance will be converted on a share-for-share basis into shares of the company. Horace Mann Life Insurance is currently engaged in writing ordinary and group life insurance, fixed and variable annuities and group and individual accident and health insurance. Educators Life was sponsored by a group of California teachers and educators for the principal purpose of providing and servicing the insurance requirements of educators and their families. Horace Mann Educators has outstanding 1,386,056 common shares, of which Horace Mann Mutual Insurance Company owns 29.35%. Dan W. Bannister is president.

NATIONAL GENERAL CORP. PROPOSES EXCHANGE PLAN. National General Corporation ("National"), One Carthay Plaza, Los Angeles, Calif. 90048, filed a registration statement (File 2-30350) with the SEC on September 30 seeking registration of \$282,000,000 of 4% convertible subordinated debentures, due 1993, and ten-year warrant to purchase 8,640,000 common shares. It is proposed to offer these securities in exchange for all of the outstanding shares of Great American Holding Corporation ("Holding Company") at the rate of \$50 principal amount of debentures and 1½ warrants for each share of Holding Company held of record August 30. Allen & Company, 30 Broad St., New York, N. Y., and Kleiner, Bell & Co., 9756 Wilshire Blvd., Beverly Hills, Calif. 90212, will form a group of dealer managers to solicit acceptances of the exchange offer; and the company has agreed to pay to Carter, Berlind and Weill, Inc., \$250,000 as a consultant-finder's fee. Since June 1968, National has purchased some 400,000 shares (7%) of the 6,043,780 outstanding common shares of Holding Company for about \$20,000,000.

National conducts through subsidiaries a range of business operations primarily relating to entertainment and other leisure time activities. Its principal activity is the operation of a leading motion picture theatre circuit, consisting of 265 theatres owned or leased in 23 states. It is also engaged in the production and distribution of feature motion pictures and the production and distribution of television program material, as well as in the book publishing and savings and loan businesses. Holding Company was organized under Delaware law in April 1967 for the purpose of making an exchange offer and becoming the parent of Great American Insurance Company, of whose outstanding capital stock it owns 97.75%. In August 1968, National and Warner Bros.-7 Arts Ltd. (W-7A) announced that management of the two companies had reached an agreement in principle for National to acquire substantially all of the 3,808,397 outstanding shares of W-7A, in exchange for which it proposes to issue units of its securities equal in number (See June 26 News Digest). In addition to indebtedness and preferred stock, National has outstanding 3,627,998 common shares, of which Eugene V. Klein, board chairman and president, owns 10.1% and management officials as a group 15%.

SECURITIES ACT REGISTRATIONS. Effective October 1: American General Insurance Co., 2-29530; American Motor Inns, Inc., 2-29256 (40 days); Aqua-Chem, Inc., 2-30141; Boise Cascade Corp., 2-30115; City Investing Co., 2-28397 (40 days); Continental Investment Corp., 2-29544 (90 days); EDP Resources, Inc., 2-29767 (40 days); ESD Co., 2-29610 (40 days); Eckerd Drugs of Florida, Inc., 2-29682 (40 days); Graybar Electric Co., Inc., 2-29870 & 2-29871; Northeast Utilities, 2-29984 (Nov 19); Oakite Products, Inc., 2-29953 (90 days); Shareholders Capital Corp., 2-29245 (90 days); J. Weingarten, Inc., 2-30021 (40 days); White Motor Corp., 2-30088.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.