

# 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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**AMERICAN & FOREIGN POWER SEEKS ORDER.** American & Foreign Power Company Inc., ("Foreign Power") has applied to the SEC for an order under the Investment Company Act exempting from the provisions of Section 17(a) the proposed purchase from Amercon Enterprises Ltd. ("Amercon"), a wholly-owned subsidiary of Foreign Power, by Aluminum Company of America ("Alcoa") of all of Amercon's holdings of common stock of Alumino, S.A. de C.V. ("Aluminio"). The Commission has issued an order (Release IC-5021) giving interested persons until July 26 to request a hearing thereon.

Amercon and Alcoa have entered into an agreement under which it is proposed that Alcoa will purchase Amercon's entire stock holdings of 52,500 shares or 14% of the outstanding common stock of Alumino, for \$35 per share. Because of intercompany affiliations, the transaction is prohibited by the Act unless the Commission grants an exemption.

**MICHIGAN WISCONSIN PIPE LINE RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-15780) authorizing Michigan Wisconsin Pipe Line Company, Detroit, to sell \$72,000,000 of notes to banks. Proceeds of the notes will be used to prepay presently outstanding \$15,000,000 of notes payable to banks due September 30, 1967, and to partially finance the company's 1967 construction program, estimated at \$65,000,000. The application states that Michigan Wisconsin will apply the net proceeds from any permanent debt financing effected prior to the maturity of the notes in reduction of, or in total payment of, the notes, and that the aggregate principal amount of the notes authorized under this filing will be reduced by the amount of the net proceeds of the permanent debt financing.

**UGC INSTRUMENTS RECEIVES ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-15781) authorizing UGC Instruments, Inc. ("Instruments"), Houston subsidiary of Pennzoil Company, to sell its holdings in Benson-France, S.A.R.L ("Benson-France"), a foreign subsidiary. Instruments owns 2,398 shares or approximately 80% of the 3,000 outstanding shares of Benson-France. Both are engaged in the manufacturing and marketing of electronic, electrical and measuring instruments and systems and other products related to the electronics field, with Benson-France having manufacturing and appurtenant facilities at Paris. Instruments proposes (1) to cause to be organized under French law a company ("New Company") with assets of 4,000 francs or 4,000 authorized shares (100 francs per share), of which 1,000 shares will be initially issued; (2) to purchase and acquire 750 shares of New Company for 75,000 francs (approximately \$15,000); (3) to have New Company sell 250 shares to a local French concern which is not affiliated directly or indirectly with Instruments or any other company in the Pennzoil holding-company system, for 25,000 francs (approximately \$5,000); and (4) to sell its shares of Benson-France to New Company for \$175,000 payable in U.S. currency, \$87,500 on the date of formation of New Company and the balance on or before December 31, 1967.

**SAXON PAPER PROPOSES OFFERING.** Saxon Paper Corporation, 243 West 17th St., New York 10011, filed a registration statement (File 2-26837) with the SEC on June 29 seeking registration of \$5,000,000 of convertible subordinated debentures, due 1982, and 56,132 shares of common stock. The debentures are to be offered for public sale by the company. The common shares are to be acquired by the underwriters through the exercise of warrants to be purchased from the present holders thereof; and both the debentures and the shares are to be offered for public sale through underwriters headed by Bear, Stearns & Co., 1 Wall St., New York 10005. The interest rate on the debentures, as well as the offering price of the debentures and shares (\$35 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is principally engaged in the wholesale distributing of printing paper and paper products and in the conversion of paper stock into such products as envelopes, pads and tablets. It has recently developed and commenced the production of a desk top electrostatic photocopier. Net proceeds of its sale of the debentures and upon the exercise of the warrants (\$4.84 per share) will be utilized primarily for the production and development of the company's marketing program for the electrostatic copier - it has an agreement with the Remington Office Equipment Division of Sperry Rand Corp. for the marketing of a substantial portion of its production of these machines. In addition to indebtedness, the company has outstanding 1,044,869 common shares, of which Myron P. Berman, president and board chairman, owns 10.8% and management officials as a group 25.8%. The warrants to be acquired by the underwriters are held by Continental Assurance Company and Central Life Assurance Company.

**REAL EIGHT CO. FILES FOR OFFERING AND SECONDARY.** Real Eight Co., Inc., Satellite Beach, Fla. 32935, filed a registration statement (File 2-26838) with the SEC on June 29 seeking registration of 400,000 shares of common stock, of which 275,000 shares are to be offered for public sale by the company and 125,000 (being outstanding shares) by the present holders thereof. The shares are to be offered at \$4 per share with a 40¢ per share commission to the underwriters, headed by Hancock Securities Corporation, 79 Pine St., New York. Also included in the statement are 40,000 common stock purchase warrants being sold to the Hancock firm at 1¢ per warrant, exercisable for two years at \$4 per share. Walter Rosenbush will be assigned 15,000 of these warrants for referring the company.

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The company conducts salvage operations in association with Treasure Salvors, Inc.; and it operates a museum in Cape Canaveral where it displays and sells some of the items salvaged and other merchandise. Of the net proceeds of its stock sale, \$100,000 will be used to pay an outstanding collateralized short term debt and a like amount to complete the interior furnishings of the museum, the balance will be available for accelerating salvage operations and expanding its working capital, and to explore other possible salvage sites. The company now has outstanding 1,000,000 common shares, all owned by Clifford "Kip" L. Wagner, president, and nine others (including three other officers). Wagner proposes to sell 18,750 of his holdings of 175,000 shares; and the others propose to sell shares ranging in amount from 2,500 to 16,250 shares.

**NATIONAL INVESTORS FIRE & CASUALTY FILES FOR OFFERING.** The National Investors Fire & Casualty Insurance Company, Broadway at Second, Little Rock, Ark., filed a registration statement (File 2-26839) with the SEC on June 29 seeking registration of 500,000 shares of common stock, to be offered for public sale at \$1.50 per share. The offering is to be made on a "best efforts" basis by Royal W. Carson & Co., Inc., 722 Mercantile Bldg., Oklahoma City, Okla., which will receive a 15¢ per share selling commission.

Organized in 1955, the company has been engaged in business as a fire and casualty insurance company since 1959 and is presently licensed in Arkansas, Louisiana, Oklahoma and Arizona. While its premium volume has consistently increased, the company has shown a profit only in 1965 (\$9,171.75 - excluding unrealized appreciation and depreciation on investments); it has otherwise had substantial net losses. Net proceeds of its stock sale will be used to increase the company's capital and surplus, so as to meet the reserve requirements for the writing of additional insurance; and the company hopes thereby to be able to qualify to do business in the State of Hawaii and to re-qualify in Louisiana where the capital and surplus requirements are soon to be increased. The company now has outstanding 1,994,637 common shares, of which Investors Equity of the West, Inc., of Honolulu, owns 1,250,010 shares (62.66%), Investors Equity Corporation, Oklahoma City, 346,500, and management officials 15,026 shares. The Honolulu firm acquired its shares in March-May, 1967, at prices ranging from 65¢ to 69¢ per share. Jess P. Odom is president and board chairman; and he also is president of the Honolulu firm.

**TRANS-LUX PROPOSES OFFERING.** Trans-Lux Corporation, 627 Madison Ave., New York 10022, filed a registration statement (File 2-26840) with the SEC on June 29 seeking registration of \$10,000,000 of convertible subordinated debentures due 1987, to be offered for public sale through underwriters headed by Bear, Stearns & Co., Inc., 1 Wall St., New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is principally engaged in the businesses of leasing equipment for the display of stock quotations and news, the operation of a chain of motion picture theaters, and the distribution of television film series and of feature films for theaters and television. It recently commenced production and installation of the "Trans-Jet", an electronically controlled device designed primarily for the display of stock market quotations. This new readout device forms characters that flow horizontally in a right to left pattern similar to the company's existing rear projection stock-ticker equipment without the requirement for a ticker and tape. Of the net proceeds of this financing, some \$5,750,000 will be used for the production of the Trans-Jet; \$950,000 for theater acquisitions; \$750,000 for the expansion of television and motion picture distribution activities; \$615,000 for research and development of new products and the production of new equipment; \$1,250,000 for the retirement of bank borrowings; and the balance for other general corporate purposes. In addition to indebtedness, the company has outstanding 718,037 common shares, of which Harry Brandt, a director, owns 21.2%, the Harry Brandt Foundation 15%, and management officials as a group 37.2%.

**A & B GOLD-SILVER MINES FILES FOR OFFERING.** A & B Gold-Silver Mines, Inc., Atlanta Mine, Lincoln County, Nevada, (mail address: P.O. Box 418, Pioche, Nevada), filed a registration statement (File 2-26841) with the SEC on June 29 seeking registration of 250,000 shares of common stock, to be offered for public sale at \$5 per share. No underwriting is involved; if "third parties" participate in the offering they will receive a 15% selling commission.

The company was organized in November 1966 under Nevada law. In December it issued 400,000 shares (100%) of its capital stock to Eugene Jordan Associates, a mining joint venture, in exchange for all of its assets, including mining claims, plant and equipment. Its principal property is the Atlanta mine in Lincoln County, which it intends to explore and develop. Of the net proceeds of the stock sale, some \$250,000 will be applied to the payment of indebtedness; \$325,000 to increase the refining mill capacity; \$200,000 for further exploration; and the balance for working capital. Eugene Jordan is president and Gabriel P. Disoway board chairman.

**MR. CONGRESSMAN CO. PROPOSES OFFERING.** Mr. Congressman Company, a New York limited partnership to be formed for the purpose of participating in the production of the dramatico-musical play presently entitled "Mr. Congressman," and whose address is 119 West 57th St., New York 10019, filed a registration statement (File 2-26842) with the SEC on June 29 seeking registration of \$517,500 of pre-formation limited partnership interests. The interests are to be offered for public sale in \$9,000 units (subject to a 15% involuntary overcall). Beekman-Itts Productions, Inc., General Partner, and Jack Beekman and Jules Itts, will make the offering as an incident to their services as the producers of the musical. The general partner, which will make no cash contribution, will receive (a) 50% of any net profits; (b) 1% of the gross receipts as a management fee; (c) \$400 per week office expense charge for each company presenting the musical. The musical is based upon an original story by Don Appell, involving the struggle of the residents of a small town in California, who are of a predominantly Mexican background, to prevent their community center from being torn down to make room for a government project. The partnership will acquire from Beekman-Itts Productions (controlled by Beekman and Itts) the rights in the musical it has acquired in respect of production rights in the musical, certain agreements with Appell with respect to his writing the musical and with Al Hoffman and Dick Manning for them to collectively serve as the composer and lyricist of the musical.

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**INTERNATIONAL TAPE CARTRIDGE PROPOSES OFFERING.** International Tape Cartridge Corporation, 663 - 5th Ave., New York 10022, filed a registration statement (File 2-26843) with the SEC on June 29 seeking registration of \$2,000,000 of convertible subordinated debentures due 1987. The company proposes to offer the debentures for subscription by common stockholders on the basis of a \$100 debenture for each 50 common shares held of record August 10, 1967. The interest rate, subscription price and underwriting terms are to be supplied by amendment. Kemper Securities Corporation, 32 N. Ludlow St., Dayton, Ohio 45402, is listed as the principal underwriter. Also included in the statement are 50,000 outstanding common shares held by Dextra Corporation and to be pledged by it to a financial institution as security for borrowings by it.

ITCC manufactures for its account and markets and distributes continuous loop stereo tape cartridges in both four and eight track configurations containing music or other sound reproductions under license from record companies. Net proceeds of this financing will be used to pay some \$830,000 of accounts payable (principally for tape cartridge inventories), \$365,400 of rents and royalties, some \$257,000 of notes and other indebtedness, and the balance for working capital. In addition to indebtedness, the company has outstanding 1,000,000 common shares, of which about 46.5% is owned by Dextra and 20% by Audio Devices, Inc. H. Earl Smalley is board chairman and Larry Finley president.

**FIRST VA. CORP. FILES EXCHANGE PLAN.** The First Virginia Corporation, 2924 Columbia Pike, Arlington, Va. 22204, filed a registration statement (File 2-26844) with the SEC on June 29 seeking registration of 133,000 shares of common stock. These shares are to be offered in exchange for all of the outstanding capital shares (a) of Cambria Bank, Inc., Christiansburg, Va., at the rate of 10 shares for each share of bank stock, or a maximum of 100,000 shares of company stock; and (b) of Bank of Craigsville, Inc., Craigsville, Va., at the rate of 132 shares for each share of bank stock, or a maximum of 33,000 shares of company stock.

A bank holding company, First Virginia has twelve banking subsidiaries. In addition to indebtedness and preferred stock, it has outstanding 5,348,020 common shares, of which management officials own 14.55%. Edwin T. Holland is board chairman and Ralph A. Beeton president.

**HOWMET CORP. PROPOSES RIGHTS OFFERING.** Howmet Corporation, 277 Park Ave., New York 10017, filed a registration statement (File 2-26845) with the SEC on June 29 seeking registration of \$25,500,000 of convertible subordinated debentures, due 1992. The debentures are to be offered for subscription by common stockholders at the rate of \$100 of debentures for each 14 shares held. The record date, interest rate, offering price and underwriting terms are to be supplied by amendment. Lazard Freres & Co., 44 Wall St., New York 10005, is the principal underwriter.

The company is engaged principally in the manufacture and processing of aluminum and aluminum products, the production of superalloys and the manufacture of precision castings therefrom for jet aircraft engines, and the manufacture of dental, surgical and refractory products. Net proceeds of its debenture sale may be allocated to one or more of the following: expansion of its Lancaster Aluminum Rolling Mill; the company's share of the construction of a third primary aluminum production plant at Bellingham, Wash.; erection of a plant for the conversion of titanium sponge into titanium consumable electrodes; and the completion of the expansion of its precision casting facilities for use in gas turbine engines. In addition to indebtedness, the company has outstanding 3,517,097 common shares, of which Pechiney Enterprises Inc., Delaware subsidiary of a French corporation, owned 46% and management officials 2.5%. John J. Burke is president.

**AMERICAN RESERVE CORP. PROPOSES OFFERING.** American Reserve Corporation, 65 E. South Water St., Chicago, Ill. 60601, filed a registration statement (File 2-26846) with the SEC on June 30 seeking registration of \$5,000,000 of convertible subordinated debentures due 1987, to be offered for public sale through underwriters headed by A. G. Becker & Co., Inc., 120 S. LaSalle St., Chicago, Ill. 60603. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company was organized in May 1967 for the primary purpose of acquiring Reserve Insurance Company, an Illinois corporation, through an exchange of stock; and this exchange offer is expected to be declared effective in July. Reserve Insurance and Market Insurance Company, its subsidiary, are engaged in a diversified property and casualty insurance business in 50 states. The primary purposes of the exchange offer were to provide flexibility in the type of debt or equity securities which may be issued and to permit possible future diversification. Net proceeds of the company's debenture sale will be invested in Reserve Insurance and subsidiaries, principally in common stock, to provide them with additional working capital. Assuming that all outstanding shares of Reserve Insurance are exchanged for stock of the company, it will have outstanding 600,729 common shares. Allan Seth Blank is board chairman and Wallace J. Stenhouse, Jr., president.

**TAYLOR INSTRUMENT PROPOSES OFFERING.** Taylor Instrument Companies, 95 Ames St., Rochester, N. Y. 14601, filed a registration statement (File 2-26847) with the SEC on June 30 seeking registration of \$12,300,000 of convertible subordinated debentures due 1987. The debentures are to be offered for subscription by common stockholders, in the ratio of \$100 of debentures for each 13 shares held of record August 1. The interest rate, subscription price and underwriting terms are to be supplied by amendment. Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005, is the principal underwriter.

The company is engaged in the manufacture of process control instruments used in the chemical petroleum, food, and paper industries, as well as others. Of the net proceeds of its debenture sale, some \$10,000,000 will be used to repay outstanding long-term notes payable under its Revolving Credit Agreement and all of its short-term U. S. bank loans. The balance will be added to the company's general corporate funds. In addition to indebtedness, the company has outstanding 1,579,017 common shares, of which management officials own about 4.7%. Raymond E. Olson is board chairman and Marc E. Porter president.

**AMPHENOL CORP. FILES FOR SECONDARY.** Amphenol Corporation, 2801 S. 25th Ave., Broadview, Ill. 60153, filed a registration statement (File 2-26848) with the SEC on June 30 seeking registration of 40,162 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York 10004. The public offering price (\$25.125 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company manufactures electronic components and assemblies; knitted deep pile fabric; and instruments, including timing devices, for automotive, industrial and appliance markets. Amphenol is also engaged in the manufacture and maintenance of electric signs in the Chicago area. In addition to indebtedness, it has outstanding 2,988,637 common shares, of which management officials own 2.3%. Matthew L. Devine is board chairman and William H. Rous president. The shares being registered were obtained by the selling stockholders (Ulric Jelinek and Leora C. Jelinek) from Amphenol as part payment for the outstanding shares of Severna Manufacturing Corporation. The number of shares so acquired by the Jelineks is to be supplied by amendment. Severna is engaged in the manufacture and sale of molded, extruded and machined teflon parts for industrial applications.

**GREAT AMERICAN HOLDING FILES EXCHANGE PLAN.** Great American Holding Corporation, 99 John St., New York 10038, filed a registration statement (File 2-26849) with the SEC on June 30 seeking registration of 6,440,988 shares of common stock. It is proposed to offer these shares in exchange for the outstanding capital stock of Great American Insurance Company, at the rate of two shares of Holding Company common for one share of Insurance Company common.

The said Holding Company was organized under Delaware law in April 1967 for the purpose of making the exchange offer and, assuming it becomes effective, becoming the parent of the Insurance Company and its subsidiaries. The boards of directors of Holding Company and Insurance Company, which are identical, have approved the proposal and recommend its acceptance by Insurance Company shareholders. It is anticipated that Holding Corporation can be used to take advantage of opportunities to further the development of the present business of Insurance Company by the creation or acquisition of insurance company subsidiaries in which Insurance Company may be inadequately represented, as well as to move into other financially oriented businesses related to Insurance Company's operations by entering such businesses or by acquiring companies already established in such fields. William E. Newcomb is board chairman and Edward A. O'Neill president. Of the outstanding stock of Insurance Company, management officials own about 1% and Insurance Securities, Inc., just under 10%.

**NORTHROP PROPOSES OFFERING.** Northrop Corporation, 9744 Wilshire Blvd., Beverly Hills, Calif. 90213, filed a registration statement (File 2-26850) with the SEC on June 30 seeking registration of \$30,000,000 of convertible subordinated debentures due 1987, to be offered for public sale through underwriters headed by Glore Forgan, Wm. R. Staats Inc., 45 Wall St., and Blyth & Co., Inc., 14 Wall St., both of New York 10005. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the design, development, manufacture and sale of military aircraft, airframe assemblies and subassemblies, communications and electronic systems and equipment, advanced weaponry and space products. Net proceeds of its debenture sale will be applied to the reduction of short term bank loans outstanding under the company's revolving credit agreement. According to the prospectus, these borrowings have increased to meet working capital requirements resulting primarily from increased business volume, particularly as a major contractor to The Boeing Company on the Boeing 747 commercial transport program. In addition to indebtedness and preferred stock, the company has outstanding 4,393,992 common shares, of which management officials own 3.5%. Thomas V. Jones is president and board chairman.

**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:

Avisun Corporation, Philadelphia, Pa. 19107 (File 2-26829) - \$1,500,000 of interests in employees' thrift plan and 37,500 shares  
 General Electric Company, Schenectady, New York 12305 (File 2-26832) - 250,000 shares  
 Gen. Development Corp., Miami, Fla. (File 2-26853) - 525,320 shares  
 Emery Industries, Inc., Cincinnati, Ohio (File 2-26858) - 10,000 shares  
 Zapata Off-Shore Co., Houston, Tex. (File 2-26876) - 92,679 shares

\*As estimated for purposes of computing the registration fee.

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