

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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ALABAMA POWER SEEKS ORDER. Alabama Power Company, Birmingham subsidiary of The Southern Company, has applied to the SEC for an order under the Holding Company Act authorizing it to issue and sell, at competitive bidding, \$28,000,000 of first mortgage bonds, due 1997; and the Commission has issued an order (Release 35-15829) giving interested persons until September 22 to request a hearing thereon. Net proceeds from the sale of the bonds will be applied by Alabama, together with the proceeds from the proposed sale of 20,000 shares of its common stock to Southern, and from other available funds, to finance its 1967 construction program (estimated at \$80,834,000), to reimburse its treasury for the retirement of previously outstanding bonds, to pay short-term bank loans, and for other corporate purposes.

PACIFIC TECHNICAL ANALYSTS SHARES IN REGISTRATION. Pacific Technical Analysts, Inc., Suite 2002, Ala Moana Building, Honolulu, Hawaii 96814, filed a registration statement (File 2-27124) with the SEC on August 21 seeking registration of 634 shares of \$10 par voting common stock and 14,512 shares of \$10 par non-voting common stock, to be offered for public sale at \$100 per share. Of this stock, 10,000 non-voting shares are reserved for issuance to employees under the company's qualified stock option plan. No decision has been made as to the sale of the balance of the non-voting common stock nor as to the sale of the voting common stock being registered at this time.

Organized in Hawaii in 1964, the company is primarily engaged in providing professional services for commercial and governmental clients in connection with the analysis and implementation of their data handling systems. In addition to indebtedness, the company has outstanding 3,786 voting common shares and 152 non-voting common shares, of which management officials own 42.8% of the voting shares and 4.6% of the non-voting shares (including 24.3% of the voting shares owned by Robert W. Behnke, president).

VALDAK CORP. PROPOSES OFFERING. Valdak Corporation, 431 West Colfax Ave., Denver, Colorado 80204, filed a registration statement (File 2-27126) with the SEC on August 22 seeking registration of 1,000,000 shares of common stock. The shares are to be offered for public sale on a best-efforts basis by the company's president and other sales representatives at \$2.00 per share who will receive a 20c selling commission.

The company is a holding company with subsidiaries engaged in real estate, the banking business, the dairy processing business, and the insurance and small loan business in Denver; it also has an investment in the stock of National Insurance Company of America, a North Dakota life insurance company. Net proceeds of its stock sale will be used for operating capital, for repayment of outstanding bank borrowings, to organize a new life insurance company under North Dakota law, for opening a grocery retail outlet, and for working capital for general corporate and business purposes. In addition to indebtedness, the company has outstanding 804,535 common shares, of which management officials own 34.81%. Daniel P. Duffey is president.

ASTROSYSTEMS INTERNATIONAL PROPOSES OFFERING. Astrosystems International, Inc., One Goddard Drive, Rockaway, N.J. 07866, filed a registration statement (File 2-27129) with the SEC on August 22 seeking registration of \$1,200,000 of 6-1/2% convertible subordinated debentures, due 1982. The debentures are to be offered for public sale through underwriters headed by Dempsey-Tegeler & Co., Inc., 1000 Locust St., St. Louis, Mo. 63101. The public offering price and underwriting terms are to be supplied by amendment. The company has agreed to sell to the underwriter for \$1,000,000 five-year common stock purchase warrants.

The company is engaged in research, development and production in advance technology areas. It specializes in the development, manufacture and sale of combustion energy systems (such as small rocket engines, battlefield illumination systems, targets and decoys) for defense and space activities, image recognition (optical scanning) systems for industrial automation, and explosively actuated devices for military applications. In addition, the company develops, manufactures and sells for college and university use, educational training devices derived from its research and development activities in the field of rocket propulsion. Of the net proceeds of its sale of debentures, (a) \$200,000 will be used to market and develop further its line of educational, optical scanning and explosively actuated products and devices; (b) \$150,000 to acquire additional machinery and laboratory equipment for its research and manufacturing activities; (c) \$181,000 to retire existing unsecured bank borrowings and notes of the company and a subsidiary incurred for working capital purposes; and (d) \$150,000 to expand and make physical improvements on its production and testing facilities for explosively actuated devices and rocket engines in Andover, N.J. The balance will be added to working capital and available for, among other things, the financing of anticipated inventory and receivables requirements. In addition to indebtedness, the company has outstanding 434,178 common shares, of which management officials own 34.7% (including 10.6% owned by Alan R. Mendenhall, Jr., board chairman and president, and 10.7% owned by Albert G. Thatcher, vice president).

DWG CORP. FILES EXCHANGE OFFER. DWG Corporation ("DWG"), 1095 East Bible Road, Lima, Ohio 45802, filed a registration statement (File 2-27132) with the SEC on August 22 seeking registration of \$9,600,000 of 5-1/2% secured instalment notes, due 1969, and \$22,030,000 of 5-1/2% convertible subordinated debentures, due 1987. According to the prospectus, the company proposes to offer these securities to the holders of the 2,000,000 outstanding shares of common stock of National Propane Corporation ("Propane"). Each share of Propane common may be exchanged for either (a) \$5 in cash plus \$12 of the instalment notes (payable \$6 after

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one year and \$6 after two years), or (b) \$20 of the DWG debentures. DWG will pay 25¢ per share to brokers for each share of Propane common tendered for debentures (other than 200,000 shares which Loeb, Rhoades & Co. or Allied Chemical Corporation have agreed to tender), but will pay no commissions for shares tendered for cash and notes.

DWG is engaged primarily in the manufacture and sale of cigars and related tobacco products. Propane is engaged in the distribution and sale of (a) LP (liquefied petroleum) gas for household, farm, commercial and industrial uses, (b) household appliances utilizing LP gas such as cooking ranges and other appliances and (c) fertilizers and farm appliances and equipment. In addition to indebtedness and preferred stock, DWG has outstanding 545,721 common shares, of which management officials own 22.8% (including 19.9% owned by Victor Posner, board chairman and president).

GOODBODY FILES FUND PROPOSAL. Goodbody & Co., 55 Broad St., New York, N.Y. 10004, Hornblower & Weeks-Hemphill, Noyes, 8 Hanover St., New York, N.Y. 10004, and Bache & Co., Inc., 36 Wall St., New York, N.Y. 10005, Sponsors for Municipal Investment Trust Fund, Series I, filed a registration statement (File 2-27131) with the SEC on August 22 seeking registration of 6,000 Units of undivided interest in the Fund (\$6,720,000 maximum aggregate offering price). The Sponsors have deposited (under a trust agreement with the United States Trust Company of New York) \$6,000,000 principal amount of bonds in exchange for certificates (units) to be offered for public sale. The primary objective of the Fund is tax exempt income through a diversified investment in revenue and general municipal bonds. The offering of the units will be made through the three sponsor companies.

VERNITRON CORP. PROPOSES OFFERING. Vernitron Corporation, 50 Gazza Boulevard, Farmingdale, Long Island, N.Y. 11735, filed a registration statement (File 2-27133) with the SEC on August 22 seeking registration of \$5,000,000 of 5-3/4% convertible subordinated debentures, due 1982. The debentures are to be offered for public sale through underwriters headed by H. L. Federman & Co., Incorporated, and Coggeshall & Hicks, both of 50 Broadway, New York, N.Y. 10004. The public offering price and underwriting terms are to be supplied by amendment.

The company is principally engaged in the design, development, manufacture and sale of electro-magnetic servo components, electronic data processing equipment, ultrasonic surgical instrument cleaners, precision metal components, hospital equipment and supplies, and electrical and electronic connectors and related tools and equipment. Net proceeds of its sale of debentures will be added to the general funds of the company and will be available as working capital and for use in connection with further acquisitions and diversification of its business. In addition to indebtedness, the company has outstanding 908,046 common shares, of which management officials own 27%. Bernard Levine is board chairman and president.

AMERICAN REPUBLIC ASSURANCE FILES. American Republic Assurance Company Separate Account B, 6th and Keosauqua Sts., Des Moines, Iowa, filed a registration statement (File 2-27135) with the SEC on August 22 seeking registration of \$10,000,000 of variable annuity contracts.

The company was organized on August 21, 1967, by its sponsor, American Republic Assurance Company, a stock life insurance company, which will furnish underwriting, investment management and advisory services to the company. The investment objective of Separate Account B is long-term capital appreciation. John F. Guion is board chairman of Separate Account B and president of the sponsor.

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:

- Atlantic Richfield Company, Philadelphia, Pennsylvania 19101 (File 2-27134) - 8,616 shares issuable upon exercise of options outstanding on August 7, 1967, under the stock option plan of Nuclear Materials and Equipment Corporation, whose properties recently were acquired by an Atlantic subsidiary.
- Ward Foods, Inc., New York, New York 10017 (File 2-27139) - 218,524 shares
- Itek Corporation, Lexington, Massachusetts 02173 (File 2-27142) - 36,000 shares

TEL-A-SIGN TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Tel-A-Sign Inc. for the further ten-day period August 25 through September 3, 1967, inclusive.

SECURITIES ACT REGISTRATIONS. Effective August 22: Bangor Punta Corp., 2-26270 (40 days); Interstate Department Stores, Inc., 2-26949 (40 days). Effective August 23: Big Apple Supermarkets, Inc., 2-26935 (40 days); Continental Conveyor & Equipment Company, 2-26830 (90 days); Prudential Funds, Inc., 2-27110 (90 days); Wang Laboratories, Inc., 2-26968 (November 21). Effective August 24: Barnett Serio Exploration Co., 2-26767 (90 days); Falls Budget Corp., 2-26340 (90 days); Lea-Ronal, Inc., 2-26958 (November 22).

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.