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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Washington 25, D.C.

FOR RELEASE May 3, 1960

R. I. GERSHEN CO. REGISTRATION REVOKED. In a decision announced today (Release 34-6249), the SEC revoked the broker-dealer registration of Ronald I. Gershen, doing business as R. I. Gershen Co., 2331 Ocean Ave., Brooklyn, N. Y., for fraud in the sale of securities.

An application for broker-dealer registration filed by R. I. Gershen & Co., Inc., of which Gershen is president and sole stockholder, was denied by the Commission. Gershen and Gershen Inc. waived a hearing and consented to the order of revocation and denial.

According to the Commission's decision, during the period March 1959 through August 1959 Gershen, while employed by another broker and dealer, offered and sold securities through the use of schemes to defraud, and obtained money and property by means of materially untrue and misleading statements. Gershen admittedly offered and sold common stock of Belmont Oil Corporation on the representations, made without any basis in fact, that return of the purchase price of the securities was insured, that the price of the securities would increase $3 to $4 per share within a year and would rise to $6 per share within four months, and that the corporation's shareholders had approved issuance to stockholders of warrants to purchase the company's shares at less than the market price. In addition, Gershen represented that the corporation had oil reserves worth $5,000,000, when in fact the value of such reserves approached only $50,000, and that the broker and dealer for which he was a salesman had been in business for 25 years, when in fact it registered as a broker and dealer in November 1956.

FIRST PELHAM SEEKS ORDER. The First Pelham Corporation, Pelham, N. Y., investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to certain transactions; and the Commission has issued an order (Release 40-3024) giving interested person: until May 13, 1960, to request a hearing thereon.

According to the application, Warren E. Buffet and certain other affiliated interests propose to acquire from Pelham Corp. certain equity securities in the latter's portfolio (other than Sanborn Map Co. stock) having a market value of $768,859 on the date preceding the close, in exchange for 10,355 shares of Pelham Corp. stock at a price of $74.25 per share. It is also proposed that Daniel C. Dobbins, another affiliate, will purchase from Pelham Corp. certain of the latter's portfolio securities having a market value of $18,563, in exchange for 250 shares of Pelham Corp. at a price of $74.25 per share. The agreement with Buffet also provides that he and certain of his relatives will also sell to Pelham Corp. an additional 2,137 shares of the latter's stock on the same terms, and that Pelham Corp. will offer to purchase from all its other stockholders any shares of Pelham Corp. stock properly tendered for sale prior to the closing of the Buffet transactions.

AMERICAN RESEARCH SEEKS ORDER. The SEC has issued an order under the Investment Company Act (Release 40-3025) giving interested persons until May 16, 1960, to request a hearing upon an application of American Research and Development Corporation, Boston investment company, for an exemption order with respect to a proposed loan of not to exceed $50,000 to Intercontinental Electronics Corporation.

American owns 17% of the outstanding stock of Intercontinental, which is engaged in the business of the development and sale of various electronic, aircraft detection and navigation equipment. Such loan would promote the commercial development of Intercontinental's business by providing it with additional working capital.

COURT ORDER ENJOINS G & R GIBBS & CO. The SEC Boston Regional Office announced April 29th (Lit. Release 1668) issue of a Federal court order (USDC, Mass.) preliminarily enjoining G. Wayne Gibbs, Sr., and Richard W. Gibbs, doing business as Gibbs and Company, Worcester, Mass., from further violations of Regulation T and anti-fraud provisions of the Securities Exchange Act.

FIRST LEWIS CORP. REGISTRATION REVOKED. In a decision announced today, the SEC revoked the broker-dealer registration of First Lewis Corporation, 31 State St., Boston, for violation of SEC regulations. The company ("registrant") and its former president, Fred T. Lewis, waived a hearing and consented to issuance of the said order.

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Registrant became registered with the Commission as a broker-dealer in February 1956. Lewis was president and a director until September 1959. Pursuant to a Federal court order of September 21, 1959 (USDC, Mass.), registrant was enjoined (with its consent) from further conduct of a securities business while failing to make and keep records as prescribed in SEC Rule 17a-3; and it was further directed to make its books and records available for Commission inspection.

In addition, registrant failed to amend its registration application to correct information therein which became inaccurate about September 1958 when certain of its officers and directors resigned and it abandoned its principal place of business as listed in said application. Moreover, registrant failed to file its required report of financial condition for the year 1958.

The Commission found Lewis to be a cause of its revocation order.

BRUCE NATIONAL ENTERPRISES FILES FOR OFFERING. Bruce National Enterprises, Inc., 1118 N. E. 3rd Ave., Miami, Fla., filed a registration statement (File 2-16531) with the SEC on April 29, 1960, seeking registration of 335,000 shares of common stock to be offered for public sale at $6.00 per share. The offering is to be made on an all or none, best efforts basis by George, O'Neill & Co., Inc. The underwriting commission will be 60¢ per share plus $60,000 for expenses. Jack S. Mintzer, Ethel Chisling, and Frida Mintzer, who along with the estate of I. L. Mintzer, are the principal stockholders, have granted 5-year stock purchase warrants for the purchase of 22,000 shares of common stock at $6 per share to George, O'Neill & Co. for financial services in obtaining a loan of $100,000 to the company by Feuchtwanger Corporation. They have also granted warrants for the purchase of 3,000 shares to Feuchtwanger Corp.

The company was organized under the laws of Florida in February 1960 and acquired from the Mintzer group (a family group) all the outstanding stock of three Florida corporations, Bruce Construction Corp., Miami Station, Inc., and Akron Realty Company, Inc. The company is engaged in the construction of various types of commercial and residential dwellings (including hotels, motels and apartments), stores, institutional buildings, military installations and other types of construction on a general contracting basis. It also is engaged in the rental of construction machinery and equipment, the installation of various types of mechanical equipment, the acquisition of land for real estate development, and the ownership, management or leasing of hotels, motels, apartments and stores.

The net proceeds from the sale of the stock is estimated to be $1,719,000. Of this amount $501,700 will be used for the reduction of certain indebtedness incurred or assumed in connection with the acquisition of properties, including the note of the company to Feuchtwanger; $623,000 will be used to pay $335,987.44 of mortgages on vacant land, and to apply against the construction of seven apartment buildings; and $400,000 to be used as working capital in connection with the Company's project to acquire a 99-year lease on land located in the downtown section of Jacksonville, Florida, and the construction thereon of a motel. The balance of the proceeds will be added to working capital and may be used to obtain motel sites. The cost of the seven apartment buildings is estimated at $2,200,000 and that of the motel at $1,700,000; and the costs thereof are expected to be financed in part by mortgage loans.

The Mintzer group, after donating 80,000 shares of common stock to the company, own an aggregate of 350,000 shares (all of the outstanding common stock). After the sale of the new stock the group will own 51% of the outstanding common.

CONNECTICUT & CHESAPEAKE FILES FINANCING PROPOSAL. Connecticut & Chesapeake, Inc., 724 - 14th St., N.W., Washington, D. C., filed a registration statement (File 2-16536) with the SEC on April 29, 1960, seeking registration of $585,000 of 4½% Promissory Notes and 2,250 shares of common stock. It is proposed to offer these securities for public sale in units, each consisting of $260 of notes and one share of stock, provided that the minimum purchase shall be 10 units for a minimum consideration of $3600 ($2600 of notes and 10 shares of stock). The units will be offered at $360 per unit through Shannon & Luchs Securities Corporation on an all or none, best efforts basis, for which an $18 per unit commission will be paid.

The company was organized in March 1960 for the purpose of acquiring and operating an existing apartment house building known as the Forty Six Hundred Connecticut Apartments in Washington. Under the purchase agreement, the company will assume an existing indebtedness (now $4,034,556) of the seller; and it is required to make a cash payment of $715,000, $100,000 of which has been deposited. The initial deposit was advanced by Shannon & Luchs Company, realtors, who will be reimbursed from this offering. The company's management is composed of key executive and operating personnel of the said realty firm which, together with William E. Shannon and Frank J. Luchs may be considered promoters of the company.

The company's 250 outstanding shares are owned by Messrs. Shannon and Luchs, purchased at $10 per share. The realty firm will receive a real estate commission of $44,500 from the proceeds of this offering. The company also will enter into a management agreement with the realty firm providing for its management of the apartment.

Shannon is listed as the company's president and Luchs as vice president. The underwriter's stock is owned by the realty firm.

SAFTICRAFT FILES FOR STOCK OFFERING. Safticraft Corporation, Patterson, La., filed a registration statement (File 2-16537) with the SEC on April 29, 1960, seeking registration of 275,000 shares of common stock, to be offered for public sale at $3.00 per share through a group of underwriters headed by George, O'Neill & Co. The underwriting commission will be 30¢ per share. The underwriting agreement provides that the underwriter

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will purchase 166,665 shares at a price of $2.70. The remaining 108,335 shares will be offered on an all or none "best efforts" basis. The company will pay underwriting expenses of $30,000. Also in registration are warrants for the purchase at $3 per share of 33,000 shares of common stock now owned by H. E. Kirkpatrick, president and principal stockholder. Of such warrants 30,000 were sold to the underwriter at $.001 per warrant in consideration for financial advice and assistance during the prior year, including the arrangement of interim financing with Feuchtwanger Corp., and 3,000 warrants were sold to Feuchtwanger as an inducement to make the loan.

The company was incorporated under Delaware law in 1959 for the purpose of acquiring all of the stock of Dupont, Incorporated. Prior to 1951 Dupont was engaged primarily in the fabricating of offshore structures and storage tanks for the oil industry. Since 1951 it has expanded its operations to include the manufacturing of crew boats, barges, tugs, pleasure craft and special purpose marine equipment.

Of the net proceeds from the sale of the stock, the company proposes to use $50,000 to expand its efforts in the sale of Safticraft boats nationally, $250,000 for the reduction of short term borrowings, and the remaining $392,500 to be advanced to Dupont as additional working capital necessary in the financing of increased inventories and receivables incident to the increased sales volume of Dupont.

In addition to certain indebtedness the company has outstanding 95,000 shares of common stock, of which H. E. Kirkpatrick owns 80,000 shares (84%) of record and beneficially and 15,000 shares (16%) of record only. The 80,000 shares were received by Kirkpatrick in consideration of his assignment to Safticraft of an agreement to acquire from Albert P. Dupont 1,389 shares of the outstanding common stock of Dupont for $215,000 and his agreement to remain liable to Albert P. Dupont as a guarantor of the $215,000 of promissory notes representing the purchase price of the Dupont stock (of which $50,000 has been paid). An additional 15,000 shares were issued to Kirkpatrick to be held by him as trustee for the widow and children of H. W. Bumpas, one of the organizers of the company. The company acquired an additional 67 shares of Dupont stock from Kirkpatrick for $10,340.

COUNTRY CLUB CORP. FILES FOR STOCK OFFERING. Country Club Corporation of America, 1737 H Street, N. W., Washington, D. C., filed a registration statement (File 2-16538) with the SEC on April 29, 1960, seeking registration of 200,000 shares of common stock, to be offered for public sale at $3.00 per share through A. J. Gabriel Co., Inc., on a best efforts basis. The selling commission will be 45¢ per share. In addition, the underwriter may purchase at one mil per share transferable one-year options to purchase from the company, at 10¢ per share, a maximum of 40,000 shares of common stock. The underwriter will also receive reimbursement for expenses in the amount of $15,000. A finder's fee of $10,000 and an option on 5,000 shares at 10¢ per share are payable to Harry Barnett.

Organized in December 1959, the company and its three wholly-owned subsidiaries are engaged in the business of owning and operating recreational clubs having all of the facilities usually found in country clubs (Valley Stream Country Club near Washington, Spring Valley Country Club near Baltimore, and Snapfinger Country Club, near Atlanta) except that none of the clubs have golf courses or golfing facilities. In addition to certain indebtedness, it has outstanding 320,000 shares of common stock which were issued in exchange for all the outstanding stock of its subsidiaries. Officers and directors of the company own an aggregate of 178,993 shares (55.9%). Herbert L. Davidson, president, and his wife own 89,843 shares (28.1%) and Neville R. McKay, a director, owns 87,650 shares (27.4%). According to the prospectus, Davidson and McKay received their stock in the three subsidiaries for services and promotion and no cash consideration was paid therefor.

Proceeds from the sale of the stock will be used in the amount of $30,000 to pay a mortgage payable to Neville R. McKay; $67,925 to pay mortgage to Investor Service, Inc.; $65,000 in payment of notes; $20,000 for miscellaneous taxes; $35,000 for miscellaneous accounts payable and $250,075 for general corporate purposes and construction of new facilities.

NORTH WASHINGTON LAND FILES FOR OFFERING. North Washington Land Co., Inc., 1160 Rockville Pike, Rockville, Md., today filed a registration statement (File 2-16539) with the SEC seeking registration of $1,600,000 of First Mortgage Participation Certificates.

The company is engaged in the acquisition, holding, improvement and sale of industrial real estate. Some 101.5 acres of land, known as Washington-Rockville Industrial Park in Montgomery County, Md., now owned by the company, constitute its principal asset. The certificates being offered represent a first mortgage loan to the company for the primary purpose of refinancing existing loans, so as to permit orderly development and sale or leasing of the industrial park property. The certificates will be offered at a discount of 17.18% from face value.

The offering will be made on a best efforts, all or none basis by Investor Service Securities, Inc., which will receive a commission of $75 per certificate. An affiliate of the underwriter holds a $450,000 note of the issuing company which is to be paid from the proceeds of this financing. All of the outstanding stock of the company is owned by George J. Moss, its president. In connection with its plan to sell or lease sites within the industrial park, the company plans that all active sales work will be done through an affiliated company, Washington-Rockville Industrial Park, Inc., the controlling interest of which will be held by Moss. Obligations to be repaid from the proceeds of this financing aggregate $1,210,832.94.

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FLORIDA POWER PROPOSES STOCK OFFERING. Florida Power & Light Company, Ingraham Bldg., Miami, today filed a registration statement (File 2-16540) with the SEC seeking registration of 400,000 shares of common stock to be offered for public sale at competitive bidding.

In addition to certain indebtedness, the company now has outstanding 362,500 shares of $100 par preferred and 13,200,000 common shares. Net proceeds of the sale of additional common will be used to provide additional electric facilities and for other corporate purposes. The company estimates its 1960-1961 construction program at approximately $163,000,000, of which $78,000,000 will be expended in 1960.

OXFORD MFG. FILES FOR OFFERING AND SECONDARY. Oxford Manufacturing Company, Inc., 151 Spring St., N.W., Atlanta, today filed a registration statement (File 2-16541) with the SEC seeking registration of 240,000 shares of Class A common stock, of which 160,000 shares are now outstanding and are to be offered for public sale by the present holders thereof and the remaining 80,000 shares will be offered by the issuing company. The public offering price and underwriting terms are to be supplied by amendment. W. C. Langley & Co. and Courts & Co. head the list of underwriters.

The company and its subsidiaries manufacture and sell popular priced wearing apparel for men, women and boys. It was organized on April 27, 1960, and will succeed by acquisition of stock or assets to the business of a group of affiliated companies previously engaged in the conduct of such business. In addition to certain indebtedness, it has outstanding 180,000 Class A and 540,000 Class B common shares. Of the net proceeds of the company's sale of the additional 80,000 Class A shares, $150,000 will be used for the purchase of additional machinery and equipment to be installed in certain new manufacturing plant facilities, construction of which has been completed. The balance of the proceeds will be used for general corporate purposes.

The prospectus lists Sartain Lanier as board chairman, Thomas H. Lanier as president, and John P. Hunter, Jr., as executive vice president. Officers and directors as a group own 91,449 shares of Class A and 274,347 shares of Class B stock, or 50.8% of each class. Members of their families own additional stock. The prospectus also lists 20 selling stockholders, all but three of whom are selling all their Class A shares. Sellers of the largest blocks are Sartain Lanier, 21,416 shares; Thomas H. Lanier, 20,322; J. Hicks Lanier, 21,606; Champion Garment Company, 15,850; and Vidalia Garment Company, 19,471.

ATLAS BOWLING CENTERS PROPOSES OFFERING. Atlas Bowling Centers, Inc., 255 Huntington Ave., Boston, filed a registration statement (File 2-16542) with the SEC on May 2, 1960, seeking registration of 100,000 shares of Class A common stock. The stock is to be offered for public sale on an agency, all or none basis by Keller & Co.; and the public offering price and underwriting terms are to be supplied by amendment. John P. Keller, a director, is sole proprietor of the underwriter. The company has agreed to sell 13,964 Class B common shares at $1 per share to the underwriter, who will receive $25,000 for expenses. These Class B shares, together with 67,030 Class B shares held in equal amounts by George S. Binen and Edward H. Margolis, president and treasurer, respectively, are also included in the registration statement.

The company was organized in March 1960 and proposes to engage in the business of operating centers for tenpin bowling. Binen and Margolis headed the group of organizers. Management officials have purchased 71,230 Class B shares for $50,420 in cash. All the then outstanding shares of Class A and Class B stock will become shares of the same class on July 1, 1963; and on that date, assuming purchase of the 13,964 Class B shares by the underwriter and sale to the public of the 100,000 Class A shares, the public will own 53.1% of the total (purchased for $400,000) and the underwriter and management officials 46.9% (purchased for $64,684).

Net proceeds to the company from the sale of the Class A stock, added to the proceeds of the sale of the Class B stock, will become working capital; and the company intends to apply same to the acquisition (by lease or otherwise), equipping and operating tenpin bowling centers. Initially the company proposes to operate bowling centers in the Boston area and New England.

U.S. GYPSUM SHARES IN REGISTRATION. United States Gypsum Company, 300 West Adams St., Chicago, filed a registration statement (File 2-16544) with the SEC on May 2, 1960, seeking registration of 470,595 shares of its common stock. Of this stock, 400,000 shares are being or may be offered to officers and other key employees under the company's Restricted Stock Option Plan. The remaining 70,595 shares are being registered for possible offering by stockholders of American Rock Wool Corp. These 70,595 shares were issued to American Rock Wool for certain of its assets. When it liquidated, the latter distributed said shares to its stockholders, any of whom may offer to the public all or a portion of his shares.

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