

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

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



Washington 25, D.C.

FOR RELEASE January 24, 1961

RIVIERA ASSOCIATES PROPOSES OFFERING. Riviera Associates, 509 Madison Ave., New York, filed a registration statement (File 2-17504) with the SEC on January 19, 1961, seeking registration of \$1,400,000 of limited partnership interests, to be offered for sale in 140 units at \$10,000 per unit. The interests are to be offered by Group Equities, Inc., on a best efforts basis, for which it will receive a selling commission of \$142.86 per unit. Group Equities is owned by two of the general partners of Associates.

Associates is a limited partnership organized by Eli N. Cooper, Sidney Rivkin and Manning W. Greenfield. It has entered into a contract to purchase from Howard Kane and four non-affiliates, a 96-year leasehold interest in the property known as The Riviera of Atlanta Motor Hotel, in Atlanta, Georgia, including the buildings and improvements erected thereon, furnishings, etc. The purchase price is \$2,652,495, payable \$1,500,000 in cash and the balance by taking title subject to a first mortgage held by an insurance company. The partnership made a \$150,000 deposit upon execution of the contract and the balance is payable at the closing date.

Of the \$1,400,000 anticipated proceeds of the sale of partnership interests, \$1,350,000 will be utilized to pay the \$1,350,000 cash balance of the purchase price of the property, \$20,000 will be paid to Group Equities, Inc., as underwriter, and not more than \$30,000 will be applied by the partnership to the payment of the expenses of its formation, the acquisition of the property and this offering. If such expenses should be less than \$30,000, any remaining balance will be held by the partnership as a reserve for contingencies.

Upon acquisition of the property, the partnership will enter into a net sublease with the sellers, who will operate the property. The three named general partners have received 11½ partnership interests for a cash contribution of \$22,500; and an additional \$122,500 has been contributed by original limited partners, for which they will receive 28½ partnership interests. Cooper and Rivkin own Group Equities.

TRANSITRON ELECTRONIC FILES STOCK PLAN. Transatron Electronic Corporation, 168 Albion St., Wakefield, Mass., filed a registration statement (File 2-17505) with the SEC on January 23, 1961, seeking registration of 375,000 shares of common stock, to be offered to executives and key employees of the company under its Option Plan for Executives and Key Employees.

BEATRICE FOODS FILES STOCK PLAN. Beatrice Foods Co., 120 South LaSalle Street, Chicago, Ill., filed a registration statement (File 2-17507) with the SEC on January 23, 1961, seeking registration of 156,250 shares of common stock, to be offered to key employees pursuant to the company's Key Employee Stock Option Plan.

GEORGIA POWER ACQUISITION APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14357) authorizing Georgia Power Company, Atlanta, to purchase the utility assets of four of its wholesale customers in Georgia, as follows: Three Notch Electric Membership Corporation, \$38,064.66; Grady County Electric Membership Corporation, \$128,191.18; Colquitt County Electric Membership Corporation, \$147,893.80; and Satilla Electric Membership Corporation, \$70,159.27.

COLUMBIA GAS OF KY. ACQUISITION APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14358) authorizing Columbia Gas of Kentucky, Inc., of Charleston, W. Va., to purchase 144 shares of the \$100 par Class A stock of Business Development Corporation of Kentucky for \$14,400. The said Development Corporation was organized for the purpose of promoting, stimulating, developing and advancing the business prosperity and economic welfare of the State of Kentucky.

CORPORATE SECURITIES OFFERINGS, 1960. In a report for Morning Newspapers of January 25, 1961, the SEC reports that new corporate securities offered for cash sale during 1960 totalled \$10.2 billion, five percent greater than the volume of offerings in 1959. The increase in securities financing in 1960 over the previous year primarily reflected the greater volume of offerings by sales and consumer finance companies, which relied more on long-term issues and less on short-term financing than in the previous year. For further details, see Release SS-1730.

EASTERN CAN FILES FOR OFFERING. Eastern Can Co., Inc., 20 Kent Avenue, Brooklyn, N. Y., filed a registration statement (File 2-17511) with the SEC on January 23, 1961, seeking registration of 200,000 shares of Class A stock, to be offered for public sale at \$7 per share. The offering is to be made on an all or none basis by underwriters headed by Milton D. Blauner & Co., Inc., who will receive a commission of 70¢ per share plus \$25,000 for expenses. An additional 15,000 Class A shares have been purchased from the controlling stockholder of the company by Milton D. Blauner at \$2 per share.

The company is principally in the business of manufacturing tin plate cans, of various sizes and shapes, which are used for packaging and marketing of different types of food, petrochemicals and other products. In January 1961 the company entered into agreement to purchase Industrial Metal Lithographing Corp., of New Jersey, effective as of the date of this offering. Pursuant to the agreement the company will receive all of the

OVER

outstanding preferred and common stock of Industrial in exchange for 57,200 shares of Class B stock and \$180,000 in cash. Industrial lithographs tinplate in various designs and colors for manufacturers of metal containers. The net proceeds from the stock sale will be used as follows: \$400,000 to purchase and install additional can manufacturing machinery; \$150,000 to purchase and install new printing equipment for Industrial; \$450,000 to complete the construction of a new manufacturing plant in Passaic, New Jersey; \$150,000 to move the metal container manufacturing equipment from Brooklyn to Passaic; and the balance will be added to working capital.

The company has outstanding 21,000 shares of Class A stock and 750,000 shares of Class B stock, of which George M. Doliner, president, owns 2,444 Class A shares and 623,000 Class B shares, and Milton D. Blauner owns 15,000 Class A shares.

BICOR AUTOMATION INDUSTRIES PROPOSES OFFERING. Bicolor Automation Industries, Inc., 333 Bergen Blvd., Fairview, N. J., filed a registration statement (File 2-17508) with the SEC on January 23, 1961, seeking registration of 110,000 shares of Class A common stock, to be offered for public sale at \$4 per share. The offering is to be made on a best efforts all or nothing basis by Mortimer B. Burnside & Co., Inc., for which it will receive a selling commission of 80¢ per share plus \$15,000 for expenses. In addition, the underwriter is entitled to purchase 22,000 additional Class A shares at 10¢ per share upon completion of the sale of the 110,000 shares to the public, of which 2,200 shares will be resold to Joseph Coons as a finder.

The company was organized in December 1960 to acquire all the capital stock of four corporations under common control whose principal business is the importation and sale of embroidery manufacturing machinery and the manufacture of embroidery, all of Fairview. In exchange of the outstanding shares of the four companies, having a book value of \$200,513, the present three controlling stockholder of Bicolor Automation received 255,000 shares of its Class B common stock. The Class B stock is convertible on certain dates into Class A stock on a share for share basis. Net proceeds of the sale of Class A common by Bicolor Automation, estimated at \$319,700, will be used as follows: \$50,000 to increase one of the subsidiaries' inventories of parts for new and present embroidery machinery; \$80,000 to help finance the purchase by another subsidiary of an additional new embroidery machine and the replacement of two present machines; \$75,000 as collateral with a bank to secure a letter of credit which will be used as a revolving fund to finance purchases and sales of embroidery machinery; and the balance for working capital.

The prospectus lists Alfred G. Biberfeld as director and Isidor Biberfeld as vice president. They own 125,000 and 62,500 shares, respectively, of the outstanding Class B common; and an additional 62,500 shares are owned by Anna Biberfeld.

EFFECTIVE SECURITIES ACT REGISTRATIONS: January 23: Great American Industries, Inc. (File 2-17290). January 24: Cambridge Growth Fund, Inc. (File 2-16653); Associated Oil & Gas Co. (File 2-17324).

M J FISCHMAN, T A PALERMO JR, SENTENCED. The SEC Boston Regional Office announced January 18th (LR-1893) that Mervyn J. Fischman of Scotsdale, Ariz., and Thomas A. Palermo, Jr., of Brooklyn, N. Y., had been sentenced on their pleas of guilty to violating Securities Act anti-fraud provisions in the sale of Lexa Oil Corp. stock (USDC, Mass.) Fischman was sentenced to a term of five years imprisonment and five years probation; the execution of the jail term was suspended; and Palermo was placed on probation for two years.

STANFORD CORP. ENJOINED. The SEC Washington Regional Office announced January 19th (LR-1894) the entry of a Federal court order (USDC DC) permanently enjoining the Stanford Corporation of Washington, D. C., from further violations of the SEC net capital rule.

PERSONAL PROPERTY LEASING PROPOSES OFFERING. Personal Property Leasing Company, 6381 Hollywood Blvd., Los Angeles, today filed a registration statement (File 2-17514) with the SEC seeking registration of 150,000 shares of capital stock, to be offered for public sale by underwriters headed by Dempsey-Tegeler & Co. The public offering price and underwriting terms are to be supplied by amendment. The company has agreed to sell certain partners and associates of Dempsey-Tegeler, for \$1,000, five-year warrants to purchase 20,000 additional shares at increasing prices starting at 110% of the public offering price.

The company is engaged in the business of leasing a variety of equipment and machinery to industrial and commercial firms to meet their specific requirements. Net proceeds of the sale of additional stock will be added to its general funds to provide additional working capital. The company finances the purchase of equipment which it leases primarily by secured bank loans and secured loans from commercial discount companies; and it believes that the proceeds of this offering, when added to the company's working capital, will provide the basis for substantial additional bank credit which will facilitate expansion of the company's business and permit it to curtail or discontinue financing purchases of equipment through commercial discount companies.

In addition to sundry indebtedness to banks and commercial discount companies amounting to \$2,670,140 on October 31, 1960, the company has outstanding 218,730 shares of capital stock. The prospectus lists Theodore O. McClurg as president, Lem Bailey as vice president, and Charles F. Meyer III as a director. McClurg owns 19.2% of the outstanding stock, Bailey 16.2%, and Meyer 5.1%. An additional 35,000 shares are reserved for issuance under the company's restricted stock option plan for key employees.

CORRECTIONS. In the January 23d News Digest, the 1960 "High" for "Trade, Finance & Service" in the SEC Index of Stock Prices should have been 135.3, not 135.5. In the discussion of the Standard Gas liquidation plan reflected in the News Digest of January 19th, the court to which the Commission will apply for approval and enforcement of the plan is the United States District Court for the District of Delaware, not the District of Columbia.