

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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MICHIGAN-WISCONSIN PIPE LINE BORROWINGS. Michigan Wisconsin Pipe Line Company, Detroit, has applied to the SEC for an order under the Holding Company Act authorizing it to make borrowings from six banks during 1961 in amounts aggregating not to exceed \$20,000,000; and the Commission has issued an order (Release 35-14448) giving interested persons until June 6th to request a hearing thereon. The funds will be used to finance the 1961 construction program of the company estimated at \$22,000,000.

VIOLATIONS CHARGED TO SECURITY ADJUSTMENT CORP. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Security Adjustment Corporation, 16 Court St., Brooklyn, N. Y., violated its net capital rule and, if so, whether its broker-dealer registration should be revoked.

The said respondent company has been registered with the Commission as a broker-dealer since 1936. Warren W. Maslen is secretary-treasurer. The Commission asserts in its order that in early 1960 the respondent engaged in the conduct of a securities business when its aggregate indebtedness to all other persons exceed 2,000% of its net capital, in violation of the net capital rule. The order further asserts that (a) in February 1960 the respondent was enjoined by a Federal court decree from engaging in or continuing certain conduct and practices in connection with the purchase and sale of securities; (b) in February 1961 it was convicted in the Kings County Court (New York) of a felony or misdemeanor involving the purchase and sale of securities or arising out of the conduct of business as a broker-dealer; (c) in February 1961 Maslen was similarly convicted; and (d) in July 1960 respondent and Maslen were enjoined by a decree of the Supreme Court of the State of New York from engaging in securities transactions in New York.

A hearing for the purpose of taking evidence on the foregoing will be held at a time and place later to be announced.

CHAMPION & CO. INC. HEARING ORDERED. The Commission has scheduled a hearing for July 17, 1961, in the Federal Bldg., Little Rock, Ark., in proceedings to determine whether Champion & Co., Inc., 850 Tower Bldg., Little Rock, sold securities in violation of the anti-fraud provisions of the Securities Act and, if so, whether its broker-dealer registration should be revoked.

NITROGEN OIL WELL SERVICE FILES FOR RIGHTS OFFERING. Nitrogen Oil Well Service Company, 3602 W. 11th St., Houston, filed a registration statement (File 2-18158) with the SEC on May 22d seeking registration of 100,000 shares of common stock. The company proposes to offer 51,000 shares for subscription at \$10 per share by Big Three Welding Equipment Company, majority holder of its outstanding common; and not less than 24,500 shares will be offered at \$10 per share to other holders of its common stock of record on the effective date of this statement, on a one for 1-1/5 shares held basis. The remaining shares, together with any unsubscribed shares, will be offered for sale at \$10.60 per share through Underwood, Neuhaus & Co., Inc., as Sales Agent, which will receive a \$14,700 commission.

The company's primary business consists of furnishing gaseous nitrogen under high pressure to the oil and gas industry for use in servicing and completion of wells. Net proceeds of the stock sale will be applied to the purchase of 20 additional liquid nitrogen high pressure pumping units, at an estimated cost of \$880,000, and for other corporate purposes.

The prospectus lists H. K. Smith as president of the company and of Big Three Welding Equipment Co., which owns 30,600 of the 60,000 outstanding shares of the company. A partnership of which Smith and A. K. Smith, vice president, are partners, owns 8,000 shares.

REAL ESTATE INVESTING ASSN. INC. PROPOSES OFFERING. Real Estate Investing Association, Inc., 60 East 42nd St., New York City, filed a registration statement (File 2-18159) with the SEC on May 22d seeking registration of \$50,000,000 Series A 6% 20-Year Participating Notes, to be issued in 2,000 units of \$25,000 each and at 100% of principal amount. No underwriting is involved.

The company was organized in February 1961 to engage in the business of real estate investments. It plans to acquire and maintain a portfolio of income-producing real estate investments, primarily first mortgages on income-producing properties and land upon which income-producing improvements have been erected. It will not engage in the management or operation of the properties. Sale of the notes is being made to provide funds for use in the company's investment program. Investments will be made, either directly or through mortgages, principally in commercial, industrial or multiple-tenant residential properties, industrial properties, shopping centers, and other properties.

The prospectus lists Lawrence A. Wien as president and Martin E. Segal treasurer. Each owns 39% of the 900 outstanding shares of capital stock.

HUNT FOODS AND INDUSTRIES PROPOSES RIGHTS OFFERING OF DEBENTURES. Hunt Foods and Industries, Inc., 1747 West Commonwealth Ave., Fullerton, Calif., filed a registration statement (File 2-18160) with the SEC on May 22d seeking registration of \$38,799,500 of subordinated debentures due July 1, 1986 (convertible). The company proposes to offer the debentures for subscription by common stockholders of record June 21, 1961, at the rate of \$100 principal amount of debentures for each 12 shares then held. The interest rate, subscription

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price and underwriting terms are to be supplied by amendment. Goldman, Sachs & Co. is listed as the principal underwriter.

The company is principally engaged in the processing, packaging and distribution of a variety of food and grocery products. It also manufactures, both for its own use and for sale, metal and glass containers, and sells feed, cotton lintners and other by-products of its crushing mill operations; and it has a 35% interest in the stock of McCall Corporation. Net proceeds of the sale of debentures will be added to the company's general funds and used, together with other available funds, to finance the current construction program expected to involve expenditures of \$30,000,000. The major items include: a) a food and vegetable processing plant in Davis, Calif. which is expected to be completed in July 1961; b) a vegetable oil and shortening processing plant at Fullerton, Calif.; c) an administrative office building in Fullerton, Calif.; and d) the equipment associated with converting a major portion of the company's metal container production to lithographed cans.

In addition to indebtedness and preferred stock, the company has outstanding 4,433,025 common shares, of which management officials as a group own approximately 10%. The prospectus lists Norton Simon as president.

INTERNATIONAL CABLEVISION PROPOSES STOCK OFFERING. International Cablevision Corporation, 30 Broad St., New York City, filed a registration statement (File 2-18161) with the SEC on May 23d seeking registration of 164,850 shares of Class A common stock, to be offered for public sale at \$10 per share. The offering is to be made on an "all or nothing best efforts" basis by underwriters headed by James Anthony & Co., Inc., which will receive a selling commission of \$1.50 per share plus \$50,000 for expenses. The underwriters also will be entitled to purchase an additional 13,200 Class A shares at 10¢ per share upon the successful completion of this offering.

The company was organized under Delaware law in January 1961 by Ralph M. LaPorte, president and Henry M. Diambra, a director. In March it purchased all the outstanding stock of Texas Cablevision Corp. in exchange for 62,000 Class B shares of the company and all the outstanding stock of Florida Cablevision Corp. for a like number of Class B shares. It also negotiated an option to purchase all the outstanding stock of Virgin Isle TV Cable Corp. in exchange for 36,000 Class B shares. The company issued 20,000 shares of Class B common to Diambra for \$2,000 and services. It also has issued 57,080 Class B shares to twelve other individuals for \$178,375; and it issued 18,000 Class A and 12,000 Class B shares to Clark, Dodge & Co., Inc. for \$174,300. The company and its subsidiaries operate Community Antenna Television Systems in Vero Beach and Fort Pierce, Fla., and San Angelo, Texas; and it plans to expand such systems and to build new systems in Tallahassee, Panama City and Eau Gallie, Fla. Of the net proceeds of the sale of stock, \$255,000 will be used for a down payment on a construction contract not to exceed \$1,000,000 for expansion of the San Angelo system; \$100,000 as a deposit against tariff charges for one year of Microwave service to be purchased from Southern Transmission Corporation for the San Angelo system; \$145,000 to offset deficits estimated to be incurred during the first two years of operation of the San Angelo system; \$70,000 as down payment for additional construction approximating \$350,000 for expansion of the Vero Beach and Fort Pierce systems and \$84,000 to offset deficits estimated to be incurred during the first two years of their operations; \$220,000 as down payment on construction contracts not to exceed \$1,500,000 for construction of systems in Tallahassee and Panama and \$100,000 to offset deficits estimated to be incurred during the first two years of their operations; and \$66,000 to retire debentures of Florida Cablevision.

In addition to sundry indebtedness, the company has outstanding 19,650 Class A and 214,180 Class B shares. Diambra owns 16% of the Class B, LaPorte 10% and Elma C. Gunter, vice president, 10%. Assuming the sale of the 164,850 Class A shares, according to the prospectus, the non-public stockholders will hold 65.2% of the common stock and the public 34.8% in consideration of a contribution of 25.6% and 74.4%, respectively.

LITHONIA LIGHTING FILES FOR OFFERING AND SECONDARY. Lithonia Lighting, Inc., Conyers, Ga., filed a registration statement (File 2-18162) with the SEC on May 23d seeking registration of 226,000 shares of common stock, of which 136,000 shares are to be offered for public sale by the company and 90,000 shares, being outstanding stock, by the present holders thereof. The public offering price and underwriting terms are to be supplied by amendment. Bache & Co. and The Robinson-Humphrey Company, Inc., head the list of underwriters.

The company designs, manufactures and sells fluorescent lighting fixtures for illumination in commercial, institutional and industrial buildings. Net proceeds of its sale of additional stock will be used as follows: \$700,000 to retire bank loans incurred primarily to finance the expansion of sales; \$100,000 for installation of a fire protection and sprinkler system as leasehold improvements at the company's Conyers plant; and the balance for working capital to reduce future dependence on short term bank credit.

In addition to certain indebtedness, the company has outstanding 1,000,000 shares of common stock, of which 25% each is owned by Robert J. Freeman, president, Jud D. McIntosh and Leonard G. Berger, vice presidents, and 20.3% by Sam P. Freeman, a director.

PICKWICK ORGANIZATION PROPOSES STOCK SALE. Pickwick Organization, Inc., 26 West Jericho Turnpike, Huntington Station, N. Y., filed a registration statement (File 2-18163) with the SEC on May 23d seeking registration of 110,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on a best efforts basis by Theodore Arrin & Co., Inc., Katzenberg, Sour & Co. and Underhill Securities Corp., for which they will receive a selling commission of 60¢ per share plus \$12,000 for expenses. Present stockholders have sold the underwriters 7,500 common shares at \$1.87½ per share; and the company has sold them, for \$125, five-year warrants for the purchase of an additional 12,500 shares at an initial exercise price of \$5 per share.

The company was organized on May 9, 1961, to provide a single corporate organization to acquire all the outstanding stock of three corporations, the net assets of two other corporations, and a 100% interest in a joint venture, all organized by Richard D. Shoenfeld, president, and Herman Ringler, vice-president, and Abraham J. Donn, director, who now own 32,000, 34,000 and 22,000 common shares, respectively, amounting to

81.8% of the outstanding stock. The company is engaged in the general real estate and construction business, and in past years it has constructed one-family homes on Long Island in New York State. Its activities will include management, operation, development and investment in all types of real estate and construction. Net proceeds of the stock sale are estimated at \$444,000, of which \$175,000 will be used for the acquisition of land for at-the-site construction of Shell Homes and for the initial development of its Shell Homes operation. The company has a 51% interest in a joint venture known as "Pickwick-Round Swamp Joint Venture" to acquire six acres of land in Plainview, Long Island on which a motor hotel and related facilities are to be constructed; and it will invest an additional \$72,500 as its share in the project and \$60,000 for the development of its building site in Bayside, Queens, N. Y. Of the balance of the proceeds, \$65,000 will be used for repayment of a bank note and the balance for working capital.

THOMPSON RAMO WOOLDRIDGE PROPOSES DEBENTURE OFFERING. Thompson Ramo Wooldridge Inc., 23555 Euclid Ave., Cleveland, filed a registration statement (File 2-18164) with the SEC on May 23d seeking registration of \$25,000,000 of 25-year debentures due 1986, to be offered for public sale through underwriters headed by Smith, Barney & Co., Inc., and McDonald & Company. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The principal business of the company and its subsidiaries is the performance of research, consulting and advisory services and the manufacture and sale of products in the missile and space and electronics fields, and the manufacture and sale of aircraft component parts and auxiliary equipment, largely for aircraft engines, a wide range of engine and other parts for automobiles, trucks and tractors, and miscellaneous other products. Net proceeds of the sale of the debentures will be added to the company's general funds; and the company plans initially to reduce its presently outstanding V Loan borrowings by substantially the same amount.

In addition to various indebtedness and preferred stock, the company has outstanding 3,186,457 common shares, of which management officials own 8.1%. The prospectus lists J. D. Wright as board chairman and chief executive officer, D. E. Wooldridge as president and S. Ramo as executive vice president.

GOODWAY PRINTING CO. FILES FOR OFFERING AND SECONDARY. Goodway Printing Company, Inc., 4030 Chestnut St., Philadelphia, filed a registration statement (File 2-18165) with the SEC on May 23d seeking registration of 247,500 shares of capital stock, of which 60,000 shares are to be offered for public sale by the company and 187,500 shares, being outstanding stock, by three company officials. The public offering price and underwriting terms are to be supplied by amendment. Paine, Webber, Jackson & Curtis heads the list of underwriters.

The company and its subsidiaries are engaged in the preparation and printing of manuals, proposals and other technical publications, primarily for prime defense contractors, and in the business of commercial printing. Net proceeds to the company from its sale of additional stock will be added to its general funds and used to augment working capital.

The company now has outstanding 817,500 shares of stock, of which Milton J., Beryl J. and Donald L. Wolk, president, treasurer and secretary, respectively, own 273,930, 232,300 and 232,300 shares, respectively, and propose to sell 62,500 shares each.

KING-SEELEY THERMOS FILES STOCK OPTION PLAN. King-Seeley Thermos Co., Ann Arbor, Mich., filed a registration statement (File 2-18167) with the SEC on May 23d seeking registration of 50,000 shares of common stock, to be offered to certain employees of the company under its Employees Stock Option Plan.

NORTHERN ILLINOIS GAS FILES FOR RIGHTS OFFERING. Northern Illinois Gas Company, 50 Fox Street, Aurora, Ill., today filed a registration statement (File 2-18168) with the SEC seeking registration of 450,037 shares of common stock. The company proposes to offer this stock for subscription by its common stockholders at the rate of 1 new share for each 16 shares held of record June 22, 1961. The subscription price and underwriting terms are to be supplied by amendment. The First Boston Corporation and Glore, Forgan & Co. are listed as the principal underwriters.

Net proceeds of the stock sale will be added to the company's general funds for application to construction expenditures. Its five-year 1961-65 construction program is estimated at \$215,000,000 (\$45,000,000 for 1961). The prospectus lists Marvin Chandler as president.

SPEED-O-PRINT BUSINESS MACHINES PROPOSES STOCK OFFERING. Speed-O-Print Business Machines Corporation, 1801 West Larchmont Ave., Chicago, today filed a registration statement (File 2-18169) with the SEC seeking registration of 125,000 common shares, to be offered for public sale through underwriters headed by Rodman & Renshaw. The public offering price and underwriting terms are to be supplied by amendment. Rodman & Renshaw also will be entitled to purchase \$2,000, three-options to purchase an additional 12,500 shares at an exercise price to be supplied by amendment.

The company's principal business is the manufacture and sale of office copy-making machines, its other products including supplies and accessories for mimeograph and photocopier machines. Net proceeds of the stock sale will be used to pay off some \$422,826 of notes and the balance will be used for general corporate purposes, including financing of inventories and accounts receivable and expenditures for development of new products.

The company now has outstanding 635,000 common shares, of which Abe Samuels, president, owns 95.6%.

AUTOMATED MERCHANDISING CAPITAL CORP. PROPOSES STOCK OFFERING. Automated Merchandising Capital Corporation, 10 East 40th St., New York City, today filed a registration statement (File 2-18170) with the SEC seeking registration of 400,000 shares of common stock, to be offered for public sale through underwriters headed by Blair & Co. Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company was organized under Delaware law on May 4, 1961 as a closed-end non-diversified management investment company, principally to provide financial assistance to companies active in the vending industry.

The prospectus lists Martin Brody as president and Automated Merchandising Advisors, Inc., as advisor. All the stock of the advisor is owned by Brody and two other officials.

REPUBLIC GROVES FILES FOR OFFERING. Republic Groves, Inc., filed a registration statement (File 2-18166) with the SEC on May 23d seeking registration of 33 Citrus Grove Investment Plans covering 254 acres in Hardee County, Fla., to be offered at \$1,095/acre plus payments under management and maintenance contract for five years. The company has acquired the Hardee County property for the purpose of developing the land into citrus groves for resale pursuant to the Investment Plan formula. Purchasers of the plans are also offered a Management and Maintenance Contract with Republic Groves, Inc., under which Republic Groves, Inc., will undertake to perform all services necessary for appropriate maintenance of the groves, which contract will provide for payment by the purchaser of \$125 per acre per year for the first three years, and \$135 per acre per year for the fourth and fifth years, with purchaser's option to renew the contract. The prospectus lists Herbert L. Leifman as president of the company.

SECURITIES ACT REGISTRATIONS. Effective May 24: Consolidated Activities, Inc. (File 2-17631); Brown Fintube Company (File 2-17804); U. S. Realty Investments (File 2-17856); Far West Financial Corp. (File 2-17864); DiGiorgio Fruit Corp. (File 2-17933); Let It Ride Company (File 2-17942); Corn Products Co. (File 2-17972).

SEC COMPLAINT NAMES MILLER SMITH & CO., INC. The SEC Denver Regional Office announced May 19th (LR-2024) the filing of Federal court action (USDC, Denver) seeking to enjoin Miller Smith & Co., Inc., Joseph W. Hicks, and George K. Neujahr, all of Denver, from further violation of the anti-fraud and other provisions of the Federal securities laws and SEC rules thereunder.

KELLER BROS. SECURITIES ENJOINED. The SEC Boston Regional Office announced May 22d (LR-2025) the entry of a court order (USDC, Boston) preliminarily enjoining Keller Brothers Securities Co., Inc., and Herman J. Keller from further violations of the anti-fraud and net capital provisions of the Securities Exchange Act. Appointment of receivers for the company and Keller confirmed and continued.

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