

# 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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**WATERMAN STEAMSHIP FILES PLAN.** Waterman Steamship Corporation, 71 Saint Joseph Street, Mobile, Ala., filed a registration statement (File 2-18801) with the SEC on August 29 seeking registration of 1,900,000 shares of common stock. The filing is part of a plan for complete divestiture by McLean Industries, Inc., of its interest in Waterman. The latter has applied to the Maritime Subsidy Board for an operating-differential subsidy under the Merchant Marine Act, 1936; and the Secretary of Commerce, acting by and through the Board, has indicated a willingness, under certain conditions, to enter into an operating-differential subsidy agreement with Waterman. One of such conditions is that Waterman complete its plan of rearrangement intended to terminate the economic interest of McLean in Waterman by the distribution of the entire stockholder equity in the company, less \$1,075,069, and to sever any connections between the company and coastwise, intercoastal and United States-Puerto Rico operations. The amount of \$1,075,069 is to be retained by the company and equals the aggregate purchase price of its common shares sold by McLean to the underwriters.

The plan contemplates, among other things: (1) the sale by Waterman to McLean of all the stock of Waterman Steamship Corp. of Puerto Rico; (2) the distribution by Waterman to McLean as a dividend in kind of 27 C-2 cargo vessels (the company will bareboat charter from McLean 25 of such vessels in order to continue its services until completion of Waterman's public sale of stock); (3) the purchase by Waterman of 25 of such vessels from McLean for \$20,000,000 (of which \$8,000,000 is payable in cash); (4) the payment by Waterman of additional dividends to McLean consisting of certain of its assets (amounting to \$13,342,332 as of May 31st); (5) payment by Waterman to McLean of a final dividend equal to the balance of its retained earnings on the closing date; (6) release of Waterman from certain obligations; (7) purchase by the underwriters (headed by Shields & Co. Inc.) from McLean of all the outstanding stock of Waterman for \$1,075,069, whereupon the latter will amend its charter so as to increase its authorized capitalization to 3,500,000 of \$1 par common stock and reclassify the outstanding common shares into 157,000 such shares. The underwriters will then purchase from Waterman 1,743,000 unissued shares. These shares will be offered for public sale through the underwriters on terms to be supplied by amendment. (8) application by Waterman, from the proceeds of the public sale of 1,743,000 shares of its stock, of \$8,000,000 in part payment of the 25 C-2 cargo vessels, with the balance of the proceeds being added to working capital. Waterman will receive no part of the proceeds of the sale of the 157,000 shares, but an amount equal to such proceeds will be retained by it. (9) upon consummation of the plan, the company will own 25 C-2 vessels, have a working capital of about \$5,002,000, a net worth of some \$13,000,000, and a capitalization consisting of certain indebtedness and 1,900,000 of outstanding common stock.

Waterman engages primarily in carrying liner-type cargoes. Management officials include Malcolm P. McLean, board chairman, and James K. McLean, president. After purchase by the underwriters from McLean of the outstanding stock of Waterman, all the directors of Waterman will resign. At a special meeting of stockholders of Waterman a new board of directors will be elected consisting of James K. McLean and eight others, of whom three in addition to McLean now serve as officers and/or directors. Prior to the closing the persons who will become or continue to be officers and directors of Waterman will dispose of their holdings of McLean stock; and, in this connection, Malcolm P. McLean has agreed to purchase 659,172 shares from James K. McLean.

**AEROLOGICAL RESEARCH PROPOSES OFFERING.** Aerological Research, Inc., 420 Division St., Long Branch, N. J., filed a registration statement (File 2-18802) with the SEC on August 29th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$3.50 per share. The offering is to be made on an all or none, best efforts basis by A. D. Gilhart & Co., Inc., for which it will receive a selling commission of 45¢ per share, plus \$1,200 for expenses. Also included in the statement are (1) 15,000 shares received by two officials of the underwriter in exchange for 15 shares of \$10 par stock of a subsidiary acquired from two company officers; and (2) 20,000 shares underlying 5-year warrants to be sold to the underwriter at 5¢ per warrant, exercisable at \$3.50 per share.

Organized in May 1961, the company thereafter acquired all the stock of Craig Instrument Corporation, which has been engaged in research, development, design, manufacture and distribution of electrical, electronic and mechanical equipment and instruments for both private industry and government in the meteorological field. It proposes to engage in research, experimentation, development, design and manufacture involving processes and instrumentation in the fields of aerology, meteorology, atmospheric phenomena, environmental engineering, weather modification and control, medical electronics and related sciences including oceanography, geophysics and aerospace studies and instrumentations. It is also contemplated that Craig will carry out the production operations of the company. The estimated net proceeds of the stock sale will be added to working capital, to be used for research and development, new equipment and machinery, increased inventories, promotion, sales and advertising, and other corporate purposes. The company now has outstanding 162,000 common shares, of which Leo S. Craig (president)

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owns 47.5% and Nathaniel J. Ely (treasurer) 43.2%. According to the prospectus, assuming sale of the additional 100,000 shares to the public, management officials and other holders of the outstanding stock will own 61.8% of the then outstanding stock for which there was made an original cash investment of \$51,000, whereas the shares being offered to the public will represent ownership of 38.2% of the then outstanding shares for which the public will have paid \$350,000.

**SUPERIOR INDUSTRIES FILES FOR STOCK OFFERING.** Superior Industries Corp., 520 Coster Street, Bronx, N. Y., filed a registration statement (File 2-18803) with the SEC on August 29th seeking registration of 125,000 shares of common stock, to be offered for public sale at \$4 per share. The offering will be made through underwriters headed by Brand, Grumet & Seigel, Inc., which will receive a 40¢ per share commission and \$15,000 for expenses. The registration statement also includes 25,000 shares underlying six-year warrants sold to the underwriter for \$250, exercisable at \$4 per share, and 2,500 shares sold to the underwriter at \$4 per share.

The company is principally engaged in the manufacture and sale of folding pool tables and table tennis tables and related accessories for home and institutional use. Net proceeds from the stock sale will be added to general funds and will be available for general corporate purposes, including increased working capital. The company estimates the cost of moving to a new plant will be about \$100,000; and \$50,000 will be required for development and promotion of new products to be introduced after such move.

In addition to certain indebtedness, the company has outstanding 375,000 shares of common stock, of which Melvin Zimmers, president, and his wife own 33.4% and Herbert Podel, secretary-treasurer, 33.3%. The Trust of Jacob Podel holds the remaining 33.3%.

**CONSOLIDATED CHEMICAL & PAINT FILES FINANCING PLAN.** Consolidated Chemical & Paint Corporation, 456 Driggs Avenue, Brooklyn, N. Y., filed a registration statement (File 2-18804) with the SEC on August 29th seeking registration of \$275,000 of 6½% subordinated convertible debentures due 1968 and 68,750 shares of common stock, to be offered for public sale in units consisting of \$100 of debentures and 25 common shares. The offering will be made at \$200 per unit on an all or none basis through underwriters headed by Armstrong & Co., Inc. and L. C. Wegard & Co., which will receive a \$20 per unit commission and \$15,000 for expenses. The registration statement also includes 24,000 outstanding shares to be sold by the holders thereof to the underwriters and finders at \$1 per share.

The company manufactures from oil, chemicals and pigments, diverse basic paint lines which include interior and exterior oil base paints, varnishes and enamels, interior vinyl-latex emulsion paints, and water-thinnable linseed oil paints. Of the \$440,000 estimated net proceeds from this financing, \$62,489.61 will be used to retire a similar face amount of the company's presently outstanding 6% registered debentures, owned by or purchased from a former stockholder; \$115,000 will be used to retire obligations to banking institutions which were incurred during 1961 in order to meet trade indebtedness and for other working capital purposes; \$60,000 will be used for working capital purposes to retire trade accounts payable incurred during 1961; and the balance will be used for working capital and other corporate purposes, including expenditures to open additional distribution areas and to enlarge the company's promotional, advertising and distribution efforts in connection with its "Jet-Dri" and "Pronto" lines.

In addition to certain indebtedness, the company has outstanding 175,000 shares of common stock (after giving effect to a 1661.8-for-1 stock split in July 1961), of which Harry N. Weiss, board chairman, Stuart K. Sherman, executive vice president, Joseph Sherman and Saul Brodsky, own 35.28%, 19.19%, 12.63% and 19.19%, respectively.

**SEC ORDER CITIES ALEXANDER REID & CO.** The Securities and Exchange Commission has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Alexander Reid & Co., Inc., of 972 Broad Street, Newark, N. J., and certain individuals made fraudulent representations in the offer and sale of stock of Woodland Gas & Oil Co., Inc. (now Woodland Electronics Co., Inc.), and, if so, whether its broker-dealer registration should be revoked and whether it should be suspended or expelled from membership in the National Association of Securities Dealers Inc.

Reid & Co. has been registered with the Commission as a broker-dealer since February 1959. Alexander Silberman is president and sole stockholder; and during the period from August 23, 1960 to July 7, 1961, Leo F. Boyle, Isaac M. Drescher, Albert J. Feirt, Pasquale Malanga and Sidney Richman were employed as salesmen. The Commission's order provides an opportunity for hearing on the question whether Reid & Co. and the six named individuals, in connection with their offering and sale of Woodland stock, "engaged in acts, practices and a course of business which operated as a fraud and deceit" upon the purchasers of such stock, in particular whether they made false and misleading representations with respect to (1) increase in the price of Woodland stock, (2) current business of Woodland, (3) earnings and financial condition of Woodland, (4) readiness of Woodland to enter into general production and (5) contracts which Woodland held or was about to enter into with the Government and leading private companies.

An initial hearing will be held in the Commission's New York Regional Office on September 6, 1961, for the purpose of taking evidence on the question whether the registration of Reid & Co. should be suspended pending decision of the ultimate question whether its registration should be revoked.

**INTERNATIONAL HOUSE OF PANCAKES FILES FINANCING PLAN.** The International House of Pancakes Incorporated, 6837 Lankershim Blvd., North Hollywood, Calif., filed a registration statement (File 2-18776) with the SEC on August 28, 1961 seeking registration of \$600,000 of 6% convertible subordinated debentures due 1976 and 81,250 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by L. F. Rothschild & Co. The public offering price and underwriting terms

for each issue are to be supplied by amendment. The registration statement also includes 20,000 shares underlying five-year warrants to be sold to the principal underwriter for \$5,000, exercisable initially at \$9 per share, and 25,000 shares reserved for issuance pursuant to the company's Restricted Stock Option Plan.

The company and its subsidiaries operate, franchise and furnish supplies and food items for, a chain of restaurants which feature a wide variety of pancakes. In addition to pancakes, egg dishes, waffles and related foods, the restaurants, which cater primarily to the family trade, offer a variety of other foods at low prices, such as steaks, chicken, sandwiches and salads. As of August 15, 1961, the chain comprised twenty-four restaurants, of which nine were operated by the company and fifteen by franchise holders. The net proceeds from this financing will be used in part to finance the current expansion program, pursuant to which the company will apply \$200,000 to finance additional inventories required and receivables incurred in connection with the franchising of an additional twenty restaurants; \$120,000 to finance leasehold improvements and down payments on purchases of equipment for three Golden Cup Coffee Shops; and \$50,000 to carry an increased inventory preparatory to national distribution of its pancake mix in grocery retail outlets. The company also intends to repay \$41,000 of notes payable to stockholders and to add the balance of such proceeds to general funds to be used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 487,500 shares of capital stock, of which Lapin & Sons (a partnership consisting of Al Lapin, Jr., president and board chairman, Jerome Lapin, executive vice president, and Irving A. Lapin, a director), owns 46%, and Albert J. Kallis and Richard W. William, directors, own 11.5% each.

PRIDE INDUSTRIES FILES FOR STOCK OFFERING AND SECONDARY. Pride Industries, Inc., 4408 Fairmount Avenue, Philadelphia, filed a registration statement (File 2-18807) with the SEC on August 29th seeking registration of 75,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made on a best efforts basis by Steven Investment Corporation, which will receive a \$.625 per share selling commission and \$15,000 for expenses (payable at the rate of 20¢ per share sold). The registration statement also includes (1) 5,000 shares underlying five-year warrants to be issued to the underwriter (on the basis of one warrant for each 15 shares sold), exercisable at 5¢ per share, and (2) 15,000 outstanding shares which may be offered for sale later by the holders thereof at prices not in excess of those prevailing in the over-the-counter market at the time of sale.

The company sells various types of pet foods under the "Pride and Hi-lo brands". It also sells frozen horse meat to other non-affiliated producers of pet food and to retail outlets. The \$273,125 estimated net proceeds from the company's sale of additional stock will be used for additional inventory, repayment of a bank note, additional machinery, research and development of new products, advertising and sales promotion, trade accounts payable, and general working capital and operating expenses.

The company has outstanding 127,000 shares of common stock (after giving effect to a recapitalization in July 1961 whereby the 1,398 shares then outstanding were exchanged for 120,000 new shares), of which Edward Solomon, secretary-treasurer, and Louis Celestino, president, own 60,000 shares each and propose to sell (without underwriting) 5,000 shares each. Modell, Pincus & Hahn, company counsel, also proposes to sell all of its holdings of 5,000 shares. It also has options to purchase an additional 15,000 shares. Offer and sale of the additional 75,000 shares will increase the book value of outstanding shares from \$.77 to \$1.83 per share. Purchasers of the 75,000 shares will acquire a 37.13% stock interest in the company at a cost of \$375,000, whereas, according to the prospectus, management officials and other present stockholders will hold a 62.87% interest for \$97,511.

GULF STATES LAND & INDUSTRIES FILES EXCHANGE PLAN. Gulf States Land & Industries, Inc., 383 Madison Avenue, New York, filed a registration statement (File 2-18808) with the SEC on August 29th seeking registration of 460,003 shares of common stock. It is proposed to offer such shares to preferred and common stockholders of Chemetals Corporation, at the rate of five shares for each \$5 cumulative preferred share (\$10 par) and one share for each 3.2367 common shares of Chemetals.

The company is engaged in the exploration for and development of oil and gas on properties it owns, or has an interest in, through leasing operations to oil companies; and it also has concentrated its efforts in Louisiana on the expansion of its activities, mainly through subsidiaries, in industrial, commercial and residential real estate development. The company has participated in several transactions in which Webb & Knapp, Inc., its principal stockholder, also had some interest or was otherwise involved. Chemetals, a Delaware corporation with offices in New York, is paid to have licenses covering patents, processes and know-how relating to the recovery on a commercial scale of copper and other metals by chemical rather than the traditional pyrometallurgical techniques.

In addition to preferred stock, the company has outstanding 2,100,164 shares of common stock, of which Webb & Knapp and its wholly owned subsidiary, 52026 Corporation, own an aggregate of 84.4%. William Zeckendorf, president of Webb & Knapp, is listed as board chairman of the company and Leon Godchaux, II, as president.

APEX THERMOPLASTICS FILES FOR STOCK OFFERING. Apex Thermoplastics, Inc., 395 Smith Street, Brooklyn N. Y., filed a registration statement (File 2-18809) with the SEC on August 29th seeking registration of 150,000 shares of common stock, to be offered for public sale at \$2.40 per share. The offering will be made on a best efforts "50%-or-nothing" basis through Continental Bond & Share Corporation, which will receive a 36¢ per share commission and an additional 12¢ per share for expenses. A \$12,000 finder's fee is payable to Marvin Hayutin. The company has sold to the underwriter 14,125 common shares at 1¢ each

and has issued to the underwriter 14,125 five-year stock purchase warrants at 1¢ each, exercisable at \$2.40 per share. The company has also sold shares and issued warrants at the same prices and of like tenor, to the following: Marvin Hayutin, 8,875 shares and 8,875 warrants; Calvin J. Kohler, financial consultant, 5,250 of each, and Gilbert Wallach, an attorney for the company, 1,750 each.

The Company is principally engaged in the production of thermoplastic compounds for resale to other manufacturers and also for use in its own manufacturing operations. The major end-product manufactured is plastic garden hose, which is manufactured for itself and others, along with custom extrusion of hose, belting, wetting, tubing, rods and other products and shapes of plastic. The \$251,000 estimated net proceeds from the stock sale will be used to purchase additional machinery and equipment and additional supplies of raw materials, for sales and advertising, and working capital to be used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 220,000 shares of common stock, (after giving effect to a recapitalization in August 1961 whereby the 10 common shares then outstanding were changed into the 220,000 new common shares), of which Alex Folkman, president, owns 88%. Purchasers of the 150,000 new shares will acquire a 37.5% stock interest in the company for a cost of \$360,000; and Folkman will then own 55% of the then outstanding stock, which had a May 31st book value of \$41,111 (or 18½¢ per share, which will increase to 72½¢ if the 150,000 shares are sold).

**CORRECTION RE LONDONTOWN MFG. FILING.** The News Digest of August 9th contained an item reporting a proposed stock offering by Londontown Manufacturing Company of Baltimore. In discussing a recent recapitalization of the company, the item incorrectly stated that 4,000 new common shares were issued in exchange for 40 shares of preferred stock, whereas the new stock was issued in exchange for 40 shares of \$100 par common stock previously outstanding (following which, as previously indicated, a 92½-for-1 stock dividend was declared, resulting in a total of 375,000 common shares currently outstanding, all owned by the company's president). In connection with such recapitalization, the company's president contributed all the previously outstanding 400 shares of \$100 par 6% preferred stock to the capital of the company.

**BLACK BEAR INDUSTRIES TRADING BAN CONTINUED.** The SEC has issued an order under the Securities Exchange Act suspending trading in the common stock of Black Bear Industries, Inc., on the San Francisco Mining Exchange and over-the-counter market for a further ten-day period, September 1 to 10, 1961, inclusive.

**EXTENSION GRANTED PENN FUEL GAS.** The SEC has issued an order under the Holding Company Act (Rel 35-14504) granting a request of Penn Fuel Gas, Inc., Oxford, Pa., for an extension to September 30th for consummation of the transactions involving its proposed acquisition of all outstanding stock of three public-utility companies (see release 35-14473).

**PROGRAMS FOR TV FILES FOR STOCK OFFERING AND SECONDARY.** Programs For Television, Inc., 1150 Avenue of the Americas, New York, filed a registration statement (File 2-18805) with the SEC on August 29th seeking registration of 150,000 shares of common stock, to be offered for public sale at a price to be supplied by amendment. The names of the underwriters and underwriting terms also are to be supplied by amendment. Broad Street Capital Corp. and William Hernstadt have purchased 25,000 common shares at 67-2/3¢ per share and have received five-year warrants, exercisable at \$5 per share, for the purchase of an additional 25,000 shares in consideration of a loan to the company of \$75,000 (1/3 representing Hernstadt's interest and the balance that of Broad Street). An additional 1,000 shares have been purchased by Booth, Lipton & Lipton, Esqs. All such shares and warrants may be sold later from time to time by the holders thereof at such prices as may prevail for those securities in the market at the time of sale.

The company's business consists of the distribution of film series and motion picture feature films for television exhibition. It owns the distribution rights to such film series and motion picture feature films. The company also may provide financing and other services to the producers and, in such event, in addition to the distribution fee, also participates in the producer's share of profits. It is also planning the production of its own film series for television. The company has a library of 38 feature films available for television distribution throughout the United States. Each of these films was produced in England and is theatrically distributed under the banner of the J. Arthur Rank organization. Of the 38 films, 25 have been theatrically released in the United States, the remainder having not yet been so released. Its exclusive distributorship continues until May 1967 for 35 of such films and until June, 1964, February, 1965 and May, 1965 for each of the remaining three films. Its distributorship does not include the licensing of such films for pay television. The company in order to obtain this distributorship agreed to an advance minimum guarantee payment of \$1,000,000, \$750,000 of which has been paid and \$250,000 which is to be paid not later than November 24, 1961. The company also has distribution rights to other films known as "Main Event," and "Art Linkletter & The Kids." Of the net proceeds from the company's sale of additional stock, \$75,000 will be applied to repay the loan from Hernstadt and Broad Street incurred for the purchase of prints and operating expenses, \$250,000 to pay notes (unless extended) issued Rank Records of America, Inc., and the balance will be added to working capital to be used for the development, purchase, production and co-production of new properties.

In addition to certain indebtedness, the company has outstanding 250,000 shares of common stock (after giving effect to a recapitalization in May 1961 whereby the 200 common shares then outstanding were changed into the 225,000 new shares), of which Leonard Lowinthan, president, Everett Rosenthal, executive vice president, and Samuel Schulman, a director, own 29% each.

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**ORIGINALA FILES FOR SECONDARY.** Originala Incorporated, 512 Seventh Avenue, New York, filed a registration statement (File 2-18806) with the SEC on August 29th seeking registration of 150,000 outstanding shares of common stock, to be offered for public sale at \$9.25 per share by the holders thereof. The offering will be made on an all or none basis by Globus, Inc. and Divine & Fishman, Inc., which will receive a 92¢ per share commission. The registration statement also includes 24,000 shares underlying five-year warrants sold to the underwriters by the company for \$24, exercisable at \$9.25 per share.

The company is engaged in the design, production and sale of coats for women in "misses" and "petite" sizes under the advertised label "Originala," and at retail prices ranging upward from \$200. The company has outstanding 300,000 shares of common stock, of which Nathan Bader, board chairman, Irving Bader, president, Eleanor Bader and Beatrice Bader own 75,000, 60,000, 45,000 and 45,000 shares, respectively; and they propose to sell 37,500, 30,000, 22,500 and 22,500 shares, respectively. As trustees for certain trusts of which they are beneficiaries, said selling stockholders hold the balance of the outstanding stock and propose to sell an additional 37,500 shares.

**COWLES MAGAZINES AND BROADCASTING FILES FOR STOCK OFFERING.** Cowles Magazines and Broadcasting, Inc., 488 Madison Avenue, New York, filed a registration statement (File 2-18810) with the SEC on August 30th seeking registration of 350,000 shares of capital stock, to be offered for public sale on an all or none basis through underwriters headed by Goldman, Sachs & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company (formerly Cowles Magazines, Inc.) and its subsidiaries are engaged primarily in the publication of LOOK Magazine, the sale of subscriptions to leading magazines including LOOK, and the operation of a television station and a radio station in Des Moines, Iowa (KRNT-TV and KRNT). The company also publishes "The Insider's Newsletter," a weekly newsletter, and owns a 93.2% interest in a company in Puerto Rico which publishes the "San Juan Star," an English language daily newspaper. The net proceeds of the stock sale will be added to general funds and will be available for additional working capital and in connection with possible expansion in the publishing or broadcasting or related fields. The company has outstanding 2,300,326 shares of capital stock, of which Gardner Cowles, president and board chairman, and the Des Moines Register and Tribune Company own 30.9% and 17.3%, respectively, and management officials as a group 46.4%.

**AMERICAN VARIETY STORES FILES FOR STOCK OFFERING.** American Variety Stores, Inc., Cleveland at Passaic, Fort Myers, Florida, filed a registration statement (File 2-18811) with the SEC on August 30th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4.50 per share. The offering will be made on a "best efforts, all or none basis" through underwriters headed by Netherlands Securities Company, Inc., which will receive a 54¢ per share commission and \$30,000 for expenses. The company (1) sold to officers and stockholders of the underwriters an aggregate of 15,000 shares of common stock at \$1.00 per share and 15,000 common stock purchase warrants, for a cash consideration of \$150, exercisable until November 15, 1966, to purchase 15,000 shares of common stock at \$5.00 per share; (2) sold 2,500 shares of common stock at \$1.00 per share to Herbert Chernin, a proposed director of the company and 2,500 shares at \$1.00 per share to Philip A. Braunstein, an associate of Chernin and (3) sold to George E. Allen, a director of the company, for a cash consideration of \$150, 15,000 Common Stock Purchase Warrants identical to those sold to the officers and stockholders of the Underwriters.

The company (formerly Fort Myers Variety, Inc.) is engaged primarily in retail and discount selling of variety store merchandise such as housewares, portable appliances, tools, hardware, sporting goods, toys, soft goods, specialty items and other products commonly handled by small department stores, hardware stores, discount stores and other variety stores. The Company sells its products principally to residents within a fifty-mile radius of the City of Fort Myers, Florida. The \$350,000 estimated net proceeds from the stock sale will be used to pay certain notes and mortgages, for down payment on fixtures and equipment for a new store, new building costs, and working capital primarily for purchase of inventories. In addition to certain indebtedness, the company has outstanding 139,985 shares of common stock, of which Sam Posner, president, Rose Posner, vice president, and George E. Allen, secretary, own 41.84%, 11.96% and 7.75%, respectively.

**FAMILY CIRCLE ASSOCIATES FILES FOR STOCK OFFERING.** Family Circle Associates, Inc., 30 Main Street, Keyport, N. J., filed a registration statement (File 2-18812) with the SEC on August 30th seeking registration of 50,000 shares of Class A common stock, to be offered for public sale at \$7 per share. The offering will be made on an all or none best efforts basis through Russell & Saxe, Inc., which will receive a 70¢ per share commission and \$12,500 for expenses. The registration statement also includes 10,000 Class A shares sold to the underwriter at \$2 per share and 5,000 shares underlying 16-month options issued to the underwriter, exercisable at \$7 per share.

The company was organized under New Jersey law in September 1960. In January 1961 it acquired all of the outstanding stock of Family Circle Stores, a New Jersey company, in exchange for 1,400 capital shares. Family Circle Stores has operated a self-service discount department store in Keyport since 1957. The company recently became the buying office for said subsidiary and for a planned new store to be operated by another subsidiary, Laurelton Family Circle Stores, Inc., at Laurelton Circle, Brick Township, New Jersey. Of the net proceeds from the stock sale, \$100,000 will be used to repay loans incurred for the purpose of depositing such sum with the landlord of the Laurelton store as security under the lease, and a portion may be used to pay for all or part of the purchase price of fixtures and equipment for such new store. The balance will be used as additional working capital for the two stores.

In addition to certain indebtedness, the company has outstanding 140,000 shares of Class B common stock (after giving effect to recent 100-for-1 stock split), of which Samuel Kane, board chairman, Burton Kane, president, and Fred Safka, vice president, own 20% each, and William Wolf, treasurer, own



10%. Irving L. Schwartz, secretary, holds 42,000 shares on behalf of a group which includes himself and other partners of Clarence Rainess & Co., who are also partners of Clam Associates, which firms perform certain services for the company. Sale of the new shares at \$7 per share will result in a \$2 per share book value for shares now outstanding.

**LANCE FILES FOR SECONDARY.** Lance, Inc., 1304 South Boulevard, Charlotte, North Carolina, filed a registration statement (File 2-18813) with the SEC on August 30th seeking registration of 364,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by R. S. Dickson & Company. The public offering price and underwriting terms are to be supplied by amendment.

The company manufactures and sells peanut butter filled cracker sandwiches, cookie sandwiches, crackers, confections, and other peanut and biscuit products, most of which are of the five cent "snack item" variety. The company has outstanding 2,823,380 shares of common stock (after giving effect to a 2-for-1 stock split in August 1961), of which Philip L. Van Every, board chairman, Salem A. Van Every, Jr. and Stephen H. Van Every, own 224,600, 221,740 and 183,640 shares, respectively. They propose to sell 104,492, 61,740 and 33,640 shares, respectively. In addition, Philip L. and Salem A. Van Every, Jr. and North Carolina National Bank, as co-trustees for the benefit of Richard A. Van Every, hold 275,700 shares and propose to sell 75,700 shares; Philip L. and William H. Van Every and said bank, as co-executors and co-trustees under the will of David H. Van Every, hold 232,480 shares and propose to sell 51,128 shares; and Carolyn J. Van Every (wife of Philip L.) owns 37,300 shares and proposes to sell all such shares. William H. Van Every, assistant treasurer, owns 188,180 shares. The Van Every family as a whole now own 77.79% of the company's outstanding stock.

**FIRST UNION REALTY FILES FOR OFFERING.** First Union Realty, Union Commerce Building, Cleveland, Ohio, filed a registration statement (File 2-18814) with the SEC on August 30th seeking registration of 1,060,000 shares of beneficial interest, to be offered for public sale on an all or none basis through underwriters headed by Harriman Ripley & Co. and Hayden, Miller & Co. The public offering price and underwriting terms are to be supplied by amendment.

The Trust was organized in Ohio in August 1961 as an unincorporated business trust to provide investors an opportunity to participate in investments in real estate in the United States. The sponsors of the Trust are Harriman Ripley & Co., Incorporated, N. Y., N. Y. and Hayden, Miller & Co., Cleveland, Ohio, investment bankers. Stuart F. Silloway, president of Harriman Ripley & Co., Incorporated, and Russell J. Olderman, a partner of Hayden, Miller & Co., are the initial Trustees. The two sponsors will each have a 40% interest in First Union Advisory Corp. which will have a contract with the Trust for advisory services relating to the development of additional investment opportunities for the Trust and the effecting and handling of such investments. Wallace Properties, Inc. will have a 20% interest in that corporation. The Trust has contracted with Union Commerce Bank to purchase the fee title to the Union Commerce Building (a 21-story bank and office building in Cleveland) for \$25,500,000 and to lease the same back to the bank. Arrangements have been made with Aetna Life Insurance Company for a mortgage loan of \$13,500,000, the proceeds of which will be applied to the purchase price. The balance will be paid from the net proceeds of the sale of shares to the public. Of the remaining net proceeds, a portion will be used to repay indebtedness to Harriman Ripley & Co. and Hayden Miller & Co. for advances to the Trust for organizational and other initial expenses, and the balance will be used for working capital. Silloway is listed as chairman of the trustees and Olderman as vice-chairman.

**CHRISLIN PHOTO OFFERING SUSPENDED.** The Securities and Exchange Commission has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of stock by Chrislin Photo Industries Corp. of 17 Jofrey Lane, Hicksville, NY.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed on May 29, 1961, Chrislin Photo proposed the public offering of 50,000 shares of Class A stock at \$6 per share. In its suspension order, the Commission states that it has "reasonable cause" to believe (1) that the company failed to comply with certain terms and conditions of Regulation A (a) by reason of its failure to furnish an offering circular to certain purchasers of its stock in accordance with requirements of the Regulation and (b) in that the aggregate offering price of the 50,000 Class shares exceeded the \$300,000 limitation; and (2) that the company's offering circular is false and misleading by reason of its failure to disclose the method under which the underwriter (Lewis Wolf, Inc.) distributed the shares to customers of other broker-dealer firms with additional underwriting compensation to such firms.

The Commission's order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

**ZWERLING BECOMES ASSISTANT DIRECTOR.** SEC Chairman Cary today announced the promotion of Abraham Zwerling to the position of Assistant Director, Division of Corporation Finance. Mr. Zwerling will be in charge of three new Branches of Corporate Analysis and Examination, established as part of a realignment of functions and personnel within the Division to promote efficiency of operation and expedite the processing of an exceptionally high volume of registration statements and other reports currently being filed and which must be examined by the Division for compliance with the disclosure requirements of the securities laws. Messrs. Leonard F. Kelinsky and Morton Koepfel were named as Chiefs of two of the new Branches. Mr. Zwerling joined the Commission's staff in 1935, Mr. Koepfel in 1939 and Mr. Kelinsky in 1941.

**SECURITIES ACT REGISTRATIONS. EFFECTIVE August 31:** Atmos-Pak, Incorporated (File 2-18378); Coburn Credit Co., Inc. (File 2-18524); The Firestone Tire & Rubber Company (File 2-18001); The Trane Company (File 2-18410). **Withdrawn August 31:** Cobbs Fruit & Preserving Company (File 2-18585).