

# 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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**GRADIAZ, ANNIS & CO. FILES FOR OFFERING AND SECONDARY.** Gradiaz, Annis & Co., Inc., 2311-18th Street, Tampa, Fla., filed a registration statement (File 2-18985) with the SEC on September 27th seeking registration of 116,875 shares of common stock, of which 25,350 shares are to be offered for public sale by the company and 91,525 shares, being outstanding stock, by Morton L. Annis, president. W. C. Langley & Co. heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged in the business of manufacturing and selling cigars, its principal brand being "Gold Label." The company intends to use \$174,000 of the net proceeds from its sale of additional stock to prepay at par all its notes payable due 1962, and the balance will be added to working capital and will be available for corporate use. In addition to certain indebtedness and preferred stock, the company has outstanding 252,650 shares of common stock, of which Julius B. Annis, board chairman, and Leonard S. Annis, a director, own 40% and 10%, respectively. Morton L. Annis owns 126,325 shares (50%) and proposes to sell the 91,525 shares.

**LEHIGH ACRES UTILITIES AND INVESTMENT FILES FOR STOCK OFFERING.** Lehigh Acres Utilities & Investment Co., 800-71st Street, Miami Beach, Fla., filed a registration statement (File 2-18984) with the SEC on September 26th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. No underwriting is involved.

The business of the company (formerly Lehigh Acres Utilities Corporation) is the ownership and operation of a water treatment plant and distribution system, a sewage disposal plant and collection system, and LP-gas distribution facilities at Lehigh Acres, Lee County, Florida. The company also provides garbage collection pick-up service for that community. The developer and owner of the Lehigh Acres development is Lee County Land & Title Company which is the owner of all of the presently outstanding stock of the company. Of the net proceeds from the stock sale, the company will use \$263,500 to pay balances due under contracts for construction of line extension to its water and sewer systems, \$50,000 for additional gas storage tanks and line extensions therefrom, and the balance for working capital, including further extensions of water and sewer lines and additions to its water and sewer plant.

The company has outstanding 192,000 shares of common stock, all of which are owned by its parent. Lee Ratner is listed as company president and board chairman of its parent. He and three other management officials own all of the common stock of the parent company.

**SEL-REX FILES FOR OFFERING AND SECONDARY.** Sel-Rex Corporation, 75 River Road, Nutley, N. J., filed a registration statement (File 2-18986) with the SEC on September 27th seeking registration of 195,000 shares of common stock, of which 33,000 shares are to be offered for public sale by the company and 162,000 shares, being outstanding stock, by Morris M. Messing, president and principal stockholder. The offering will be made on an all or none basis through underwriters headed by Eastman Dillon, Union Securities & Co. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 5,000 outstanding shares to be sold to company employees by the selling stockholder through the underwriters at the public offering price.

The company produces and markets gold compounds and chemicals for use in gold electroplating, primarily in processes developed and patented by it. Most of its output of such products is used in the electronics industry. In addition, the company produces and sells rhodium, silver and platinum electroplating products, refines precious metals, manufactures and sells power rectification and metal finishing equipment, and distributes metal finishing supplies. Net proceeds from the company's sale of additional stock will be added to general funds to be used for working capital and other corporate purposes.

In addition to certain indebtedness, the company has outstanding 845,555 shares of common stock (after giving effect to a recent 5-for-3 stock split by means of a stock dividend of 338,222 shares), of which Messing owns 715,386 shares and proposes to sell the 162,000 shares (and 5,000 shares to company employees).

**JOHN SEXTON FILES FOR SECONDARY.** John Sexton & Co., 4700 South Kilbourn Ave., Chicago, filed a registration statement (File 2-18987) with the SEC on September 27th seeking registration of 70,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof through Hornblower & Weeks. The public offering price and underwriting terms are to be supplied by amendment.

The company is a distributor of a broad line of food products, and certain related products, principally to the "institutional trade," consisting of restaurants, schools and colleges, hospitals, clubs, hotels and other purveyors of prepared food services. In addition to certain indebtedness, the company has outstanding 747,437 shares of common stock, of which the family groups of Thomas G. Sexton, a director, E. A. Egan, treasurer, T. M. Sexton, president, Ethel Sexton Marten, and William C. Sexton, a vice president, own 15.7%, 16.4%, 14.4%, 10.5%, and 14.5%. Management officials as a group own 16.6%. Ethel Sexton Marten and the Estate of Franklin Sexton (included in the T. M. Sexton family group) propose to sell 49,924 and 20,076 shares, respectively, of their holdings of 50,924 and 57,436 shares, respectively.

OVER

**CARY CHEMICALS PROPOSES RIGHTS OFFERING.** Cary Chemicals Inc., Ryders Lane, East Brunswick, N. J., filed a registration statement (File 2-18988) with the SEC on September 27th seeking registration of 1,031,939 shares of common stock. It is proposed to offer such shares for subscription by common stockholders and holders of securities convertible into common stock at the rate of one new share for each two shares held. The company has retained Lee Higginson Corp. and P. W. Brooks & Co., Inc., as Dealer Managers, to form a group to solicit the exercise of the warrants which evidence the subscription rights. The record date, subscription price and underwriting terms are to be supplied by amendment. The registration statement also includes 94,000 shares issuable pursuant to options granted or to be granted under the company's 1960 Employees' Restricted Stock Option Plan, and stock options granted prior to adoption of that plan. Tenneco Corporation, a subsidiary of Tennessee Gas Transmission Company and the holder of the company's 6% convertible notes, has agreed to exercise rights to purchase 400,000 shares and to purchase for its account, at the subscription price, all shares not subscribed for and purchased through the exercise of rights or additional subscription privileges.

The company is primarily engaged in the manufacture and sale of (a) vinyl chloride polymer and copolymer resins, (b) polyvinyl chloride compounds and (c) polyvinyl chloride sheeting and laminates and polyethylene film. Net proceeds from the stock sale, together with certain other funds, will be applied toward the \$10,478,000 required for the 1961-62 phase of the company's expansion program. In addition to certain indebtedness and preferred stock, the company has outstanding 1,117,886 shares of common stock, of which George F. Blasius, president, owns 13.3%.

**ACETO CHEMICAL FILES FOR STOCK OFFERING.** Aceto Chemical Co. Inc., 40-40 Lawrence Street, Flushing, N. Y., filed a registration statement (File 2-18989) with the SEC on September 27th seeking registration of 88,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made on an agency, best efforts "all or none basis," by Karen Securities Corp., which will receive a 50¢ per share commission and \$12,500 for expenses. The registration statement also includes 11,500 outstanding shares sold to the underwriter by the previous holders thereof at par value (1¢ par value).

The company is engaged in the purchase and sale of industrial chemicals, chemical by-products and obsolete chemical inventories, and unusual chemicals used for laboratory and research work. Of the \$366,000 estimated net proceeds from the stock sale, \$200,000 will be used for expansion of inventories, \$75,000 for printing catalogues, promotion, advertising and general expense in connection with expansion of the company's research chemical line, and the balance for working capital to be utilized for, among other things, acquisition of research and manufacturing facilities and additional space if needed.

The company has outstanding 161,500 shares of common stock, of which Seymour Mann, president, and Arnold Frankel, secretary-treasurer, own 46.44% each. After the sale of new shares, the present book value of 62¢ per share will be increased to \$1.87 per share.

**GRAFCO INDUSTRIES FILES FOR STOCK OFFERING.** Grafco Industries, Inc., 291 Third Avenue, New York, filed a registration statement (File 2-18990) with the SEC on September 27th seeking registration of 77,250 shares of common stock, to be offered for public sale at \$4 per share. The offering will be made on a best efforts basis by Philips, Rosen and Appel, which will receive a 40¢ per share commission and \$10,000 for expenses. If all the shares are sold, the company will sell to the underwriter an additional 7,700 shares at 1¢ per share.

The company is engaged in the business of manufacturing, distributing, and selling at wholesale a complete range of graphic arts equipment, chemicals and supplies, used by printers, lithographers and engravers. The \$253,000 estimated net proceeds from the stock sale will be used to provide initial capital for the operation of a subsidiary, for research and development costs necessary to produce new items currently under development, for equipment, and the balance for general corporate purposes.

The company has outstanding 89,250 shares of common stock (after giving effect to a recent recapitalization whereby the 80 shares then outstanding were changed into the 89,250 shares), of which Ben Tankel, president, owns 100%.

**MEDEX FILES FOR STOCK OFFERING.** Medex, Inc., 1488 Grandview Avenue, Columbus, Ohio, filed a registration statement (File 2-18991) with the SEC on September 27th seeking registration of 110,000 shares of common stock, to be offered for public sale on an all or none basis by Globus, Inc. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes (1) 50,000 outstanding shares underlying a \$40,000 2% convertible note due 1961, sold to the underwriter by the principal stockholder and to be converted on the date of this registration statement, and (2) 50,000 shares underlying five-year warrants sold to the underwriter for \$50, exercisable at 80¢ per share.

The company (formerly W & J, Inc.) is engaged in the design, development and manufacture of a limited line of hospital and surgical supplies, some of which are sterile and expendable. Net proceeds from the stock sale will be used for completion of a tooling program for the manufacture of the company's products, for acquisition of inventory, for research and development, to supplement working capital, and for other general corporate purposes. In addition to certain indebtedness, the company has outstanding 154,480 shares of common stock, of which Charles W. Jinkens, president, and C. Craig Waldbillig, a vice president, own 13.97% and 16.13%, respectively, and Globus, Inc. 32.37%.

**QUARTITE CREATIVE CORP. FILES FOR STOCK OFFERING.** Quartite Creative Corporation, 34-24 Collins Place, Flushing, N. Y., filed a registration statement (File 2-18992) with the SEC on September 27th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made on an agency, all or none basis by Shell Associates, Inc. and Godfrey, Hamilton, Taylor & Co., which will receive a 50¢ per share commission and \$14,750 for expenses. The registration statement also includes 12,000 outstanding shares underlying five-year options to be sold to the underwriters by the holders thereof for \$120, exercisable at \$5 per share.

The company is engaged in the design, development and manufacture of home furnishing products including decorative table lamps with shades, lighting fixtures and tables. It also distributes lamp parts and accessories for all types of lamps manufactured by itself as well as others, and is about to begin marketing plastic wall decor products and outdoor statues which it designs and manufactures. The \$394,000 estimated net proceeds from the stock sale will be used for research and development, market studies and new machinery relating to new products and processes, and for working capital to be used for general corporate purposes including purchase of raw materials and ordinary cash-flow requirements.

In addition to certain indebtedness, the company will have outstanding 281,000 shares of common stock (after giving effect to a proposed recapitalization in October whereby the six capital shares now outstanding will be exchanged for the 281,000 new shares), of which Seymour Stewart, president, and Alvin Gindel, vice president, will own 48.8% each.

**AMACORP INDUSTRIAL LEASING CO. PROPOSES DEBENTURE OFFERING.** Amacorp Industrial Leasing Co., Inc., 34 South Stoneman Avenue, Alhambra, Calif., filed a registration statement (File 2-18994) with the SEC on September 27th seeking registration of \$3,000,000 of 6½% convertible subordinated debentures due 1971, to be offered for public sale on an all or none basis through underwriters headed by McDonnell & Co. The public offering price and underwriting terms are to be supplied by amendment.

The business of the company is basically the financing of industrial and office equipment and other property required by the company's customers through the leasing thereof to such customers. Of the net proceeds from the debenture sale \$1,500,000 will be used to retire indebtedness owing to institutions which finance purchases by the company of equipment for lease to its customers, and the balance will be used for working capital purposes, including the purchasing and carrying of leased equipment during the period preceding the financing thereof.

In addition to certain indebtedness, the company has outstanding 480,335 shares of common stock, of which Arthur M. Andersen, board chairman, owns 17.8%, and the underwriter owns beneficially and/or of record 15.1%. Management officials as a group own 37.3%. G. M. Andersen is listed as president.

**NIAGARA MOHAWK POWER CORP. FILES FINANCING PLAN.** Niagara Mohawk Power Corporation, 300 Erie Boulevard West, Syracuse, N. Y., filed a registration statement (File 2-18995) with the SEC on September 27th seeking registration of \$40,000,000 of General Mortgage Bonds, due 1991, and 700,000 shares of common stock, to be offered for public sale at competitive bidding. Net proceeds from this financing will be used to reimburse the company's treasury, to repay outstanding bank loans incurred to meet construction costs and to finance in part the company's construction program. Such construction program required \$80,703,000 in 1960 and is expected to require about \$73,900,000 in 1961.

**KENWIN SHOPS FILES FOR STOCK OFFERING.** Kenwin Shops, Inc., 249 West 34th Street, New York, filed a registration statement (File 2-18996) with the SEC on September 27th seeking registration of 80,000 shares of common stock, to be offered for public sale at \$5 per share. The offering will be made on an all or none basis by D. H. Blair & Company and The Johnson, Lane, Space Corporation, which will receive a 50¢ per share commission and \$10,000 for expenses. The registration statement also includes 12,500 outstanding shares underlying five-year options exercisable at \$5 per share, sold by the present holders thereof to the following: 8,000 to D. H. Blair & Co., 2,000 to Johnson, Lane, Space Corp., and 1,000, 1,000 and 500, respectively, to Myron Usdan, Justin Bayer and Henry Krauss, as finders' fees.

The company is engaged in the operation of a chain of 21 retail stores which sell a line of popularly priced ladies' and children's wearing apparel in the southeastern part of the United States. The company intends to apply the net proceeds from the stock sale to repay a bank loan incurred to purchase merchandise, for furniture, fixtures and leasehold improvements for stores to be added to the present chain, for merchandise for such new stores, and for working capital to be used for general corporate purposes.

In addition to certain indebtedness, the company has outstanding 185,400 shares of common stock, of which Irwin Moskowitz, president, Philip Abramson, vice president, and Kenneth Silberstein, treasurer, own 22%, 16.667% and 22%, respectively.

**MARTIN YALE BUSINESS MACHINES FILES FOR STOCK OFFERING.** Martin Yale Business Machines Corp., 2450 Estes Avenue, Elk Grove Village, Ill., filed a registration statement (File 2-18997) with the SEC on September 27th seeking registration of 100,000 shares of common stock (with attached three-year warrants to purchase 40,000 shares at \$5 per share), to be offered for public sale at \$3.50 per unit (each unit containing one share and a warrant to purchase .4 shares). The offering will be made on an agency "all or nothing" basis by Arnold Malkan & Co., Inc., which will receive a 38½¢ per share commission and \$11,250 for expenses. The registration statement also includes 25,000 shares to be sold to the underwriter at 10¢ per share (of which the underwriter will transfer to Jules Pascal 6,243 shares and pay him \$10,000 for financial services, and pay Donald H. Newman, \$5,000 as a finder).

The company is engaged in the business of manufacturing and marketing paper cutters and trimmers, automatic paper folding machines, photographic dark room accessories and automatic envelope opening machines. The \$282,000 estimated net proceeds from the stock sale will be used for additional advertising of products in trade and consumer publications, additional sales promotion and additional sales personnel, to improve present products and to research, develop or acquire and market new business machines and photographic equipments, and for working capital, including inventories of and production facilities for improved and new products.

In addition to certain indebtedness, the company has outstanding 165,000 shares of common stock, of which Yale A. Blanc, president, Martin D. Blanc, vice president, and Adolph I. Blanc, treasurer, own 30%, 30% and 13%, respectively, and Mary B. and Robert E. Blanc, 12% and 15%, respectively.

**OFFICIAL FILMS FILES FOR SECONDARY.** Official Films, Inc., 724 Fifth Avenue, New York, filed a registration statement (File 2-18998) with the SEC on September 27th seeking registration of 232,086 outstanding shares of common stock, to be offered for public sale by the present holders thereof from time to time either in the over-the-counter market at market prices then obtainable or at private sale at negotiated prices. The registration statement also includes 65,000 shares to be offered for public sale from time to time by certain officers who have received or may receive such shares upon exercise of options. Such options are exercisable at from \$1.16 to \$3 per share.

The company is primarily engaged in distribution of television series on film to broadcasting outlets throughout the world. The company's film library has been amassed by financing or co-financing production of film series and thus acquiring a proprietary interest and distribution rights in the series; by securing from the producer of an existing series distribution rights after the series has completed its network run; and by outright acquisition of existing series. The 232,086 outstanding shares being offered are part of an aggregate of 456,000 shares issued by the company in July 1961 for all the capital stock of six companies and a film series owned by a seventh. Net proceeds from the exercise of said options will be available for corporate purposes. In addition to certain indebtedness, the company has outstanding 2,810,428 shares of common stock, of which Louis C. Lerner, board chairman, owns 10.57%, Victoria Investment Company Limited, of Nova Scotia (of which Lerner is president and a substantial stockholder) owns 20.27%, and management officials as a group own 13.79%. The prospectus lists eight selling stockholders of the 232,086 shares, including Don W. Sharpe and Warren Lewis who propose to sell 103,375 and 50,853 shares, respectively, of holdings of 209,069 and 103,781 shares, respectively. Others propose to sell amounts ranging from 1,000 to 33,000 shares. Seymour Reed, president, and Frederick R. Raycroft propose to sell all of their holdings of 35,000 and 15,000 shares, respectively, which shares (except for 5,100 owned by Reed) are issuable upon exercise of said options. Three others propose to sell 5,000 shares each upon exercise of options.

**SEC ORDER CITES JOHN G. CRAVIN CO. & CARLSON SECURITIES.** The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether John G. Cravin Co., Inc., of 56 Beaver Street, New York City, and certain individuals made fraudulent representations in the offering and sale of common stock of Long Island Arena, Inc., and, if so, (a) whether the registration of John G. Cravin Co., Inc., as a broker-dealer should be revoked and (b) whether an application for registration as a broker-dealer filed by Carlson Securities, Inc., of 56 Beaver Street, New York City, should be denied. The proceedings with respect to Cravin Co. also involve the question whether it should be suspended or expelled from membership in the National Association of Securities Dealers, Inc.

According to the Commission's order, John G. Cravin Co., Inc., has been registered as a broker-dealer since February 18, 1960. Carlson Securities, Inc., filed its application for registration on July 20, 1961. Carl Monaco, is vice president, secretary, and a director of Cravin and president, director, and owner of 50% of the common stock of Carlson. The order states that during the period from approximately May 1, 1961, to approximately July 31st, 1961, George Howard, David S. Hoffman and Edward Abramson were employed as salesmen for Cravin and that during the period from approximately February 1, 1961, to approximately July 31, 1961, Monaco was the chief executive officer of Cravin.

The order for proceedings provides an opportunity for hearing on the question whether, in the offer and sale of Arena stock, Cravin, Monaco, Howard, Hoffman and Abramson "engaged in transactions, practices and a course of business which would and did operate as a fraud and deceit" upon purchasers of the stock by making false and misleading statements with respect to (1) a price increase in Arena stock; (2) the listing of Arena stock on a stock exchange; (3) Arena's similarity to Madison Square Garden; (4) business booked by Arena; (5) dividends to be paid by Arena; (6) the financial condition of Arena; and (7) Arena's business prospects.

An initial hearing will be held in the Commission's New York Regional Office on October 2, 1961, for the purpose of determining whether it is in the public interest to postpone the effective date of registration of Carlson Securities, Inc., pending final determination of the question whether registration should be denied.

**ASTRO-SCIENCE CORP. FILES FOR OFFERING AND SECONDARY.** Astro-Science Corporation, 9449 West Jefferson Blvd., Culver City, Calif., filed a registration statement (File 2-18999) with the SEC on September 27th seeking registration of 232,500 shares of common stock, of which 150,000 shares are to be offered for public sale by the company and 82,500 shares, being outstanding stock, by the present holders thereof. W. C. Langley & Co. heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company, through its subsidiaries, is engaged in the business of designing, developing, manufacturing, and selling ground systems and equipment for the support and servicing of electronic systems, aircraft and missiles. It is also engaged, through its subsidiaries, in designing, developing, manufacturing, and selling magnetic tape recorder-reproducers, electronic test equipment, and solid-state electronic and other products for the military, industrial, scientific, and consumer markets. The net proceeds from the company's sale of additional stock will be used to discharge bank loans incurred in part to finance acquisition of the business now known as American Astro-Systems, Inc. and in part for additional working capital. The balance will be added to working capital.

In addition to certain indebtedness, the company has outstanding 550,000 shares of common stock, of which George Otis II, board chairman, Peter H. Stanton, president, and Draper, Gaither & Anderson, own 133,000, 133,000 and 122,000 shares, respectively, and propose to sell 20,000 shares each. The names of the selling stockholders who propose to sell the remaining 22,500 shares are to be supplied by amendment.

**KRATTER CORP. PROPOSES DEBENTURE RIGHTS OFFERING.** The Kratter Corporation, 521 Fifth Avenue, New York, filed a registration statement (File 2-19000) with the SEC on September 27th seeking registration of \$100,000,000 of 6% subordinated debentures due 1976 (with attached five-year warrants to purchase 2,000,000 Class A common shares). It is proposed to offer such debentures to holders of Class A and Class B shares

at the rate of \$1,000 of debentures for each 50 shares held at the subscription price of \$1,000. The attached warrant will enable the holder to purchase 20 shares at \$23 per share. The registration statement also relates to a maximum of 250,000 Class A shares and \$5,000,000 of debentures which may be acquired by the company in stabilizing transactions during this offering.

The company is engaged in various phases of the real estate investment business. Net proceeds from the debenture sale will be used for repayment of certain loans from financial institutions, towards repayment of mortgages of properties, and the purchase of the senior participating interest in the first mortgage on the Hotel St. Regis, in the amount of \$7,700,000. Any balance will be added to general funds and used from time to time for acquisitions and other corporate purposes. In addition to certain indebtedness and preferred stock, the company has outstanding 3,345,071 Class A and 182,985 Class B common shares. Marvin Kratter, president and board chairman, owns 93.04% of the Class B shares. Amounts owned by other stockholders are to be supplied by amendment.

**UNIFIED FUNDS FILES FOR OFFERING.** Unified Funds, Inc., 207 Guaranty Building, Indianapolis, Ind., filed registration statements (Files 2-19001 and 2-19002) with the SEC on September 27th seeking registration of \$10,000,000 of Series "G" Certificates and \$10,000,000 of Series "H" Certificates.

**NATIONAL RECREATION SHARES IN REGISTRATION.** National Recreation Corporation, Time and Life Building, New York, filed a registration statement (File 2-19003) with the SEC on September 27th seeking registration of 337,500 shares of common stock, to be offered for public sale at \$8 per share. The offering will be made on a best efforts basis through underwriters headed by Berger-Derman, Inc., which will receive a \$1 per share selling commission and \$40,500 for expenses. The registration statement also includes 20,000 shares sold to the underwriters at \$1 per share, and 35,000 shares underlying five-year warrants to be sold to the underwriters at 25¢ per warrant, exercisable at \$8 per share. The underwriter will also receive \$27,500 for certain financial advisory services for a three-year period. The company is also registering 463,640 common shares which the company proposes to offer in exchange for the outstanding interests of limited partners, general partners, and their assignees of certain limited partnerships, and for shares of stock in certain companies. The company will pay a 24¢ per share commission to Nat Berger Associates, Incorporated for each company share issued to said limited partners.

The company (formerly Bowling Operations Worldwide Limited) was organized under Delaware law in March 1961 for the purpose of owning and operating through subsidiaries, and providing centralized management to, a national chain of modern, air-conditioned, fully automatic bowling centers. The company at present has no operating centers, but after the proposed exchange offer, will own, through subsidiaries, or have interests in eight centers with an aggregate of 383 lanes, of which seven with 335 lanes are now operating. The company has entered into agreements to lease seven additional centers, all of which will be constructed by lessors. The prospectus states that each of the existing centers has operated at a loss. Combined current liabilities of such centers exceed combined current assets as of April 30, 1961 by \$1,271,434. The prospectus states that the company believes that the losses suffered thus far have been in part due to inadequate "league bookings." Present book value of the company's common stock is 1¢ per share. Giving effect to 100% consummation of the exchange offer book value would be \$2.81 per share, while after public offering the book value would be increased to \$3.94 per share. Of the \$2,085,000 net proceeds from the stock sale (and assuming the exchange offer is consummated), \$755,000 will be used for the acquisition of the seven new centers, \$850,000 to satisfy certain existing obligations, and the balance for general working capital and to finance any additional acquisitions.

In addition to certain indebtedness, the company has outstanding 185,875 shares of common stock, of which Jerome Voletsky, president, and Burtell Cutler, a vice president, own 18% and 18.8%, respectively, and Malcolm Roberts, a vice president, William Lane, treasurer, and Alan Rogers, secretary, own 17.1% each.

**DIVERSIFIED SMALL BUSINESS INVESTMENT FILES FOR STOCK OFFERING.** Diversified Small Business Investment Corporation, 214 Engle Street, Englewood, N. J., filed a registration statement (File 2-19004) with the SEC on September 27th seeking registration of 600,000 shares of common stock, to be offered for public sale at \$5 per share. The underwriters, headed by Lieberbaum & Co. and Morris Cohon & Company, will receive a 50¢ per share commission and \$12,000 for expenses.

The company was organized under New Jersey law in April 1961. It is licensed as a small business investment company under the Small Business Investment Act of 1958 and registered as a closed end non-diversified management company under the Investment Company Act of 1940. The net proceeds from the stock sale will be used to furnish equity capital and to make long-term loans to small business concerns.

The company has outstanding 69,333 shares of common stock, of which George Rothman, president and board chairman, owns over 5%.

**AVEENO PHARMACEUTICALS FILES FOR STOCK OFFERING.** Aveeno Pharmaceuticals, Inc., 250 West 57th Street, New York, filed a registration statement (File 2-19005) with the SEC on September 27th seeking registration of 125,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Laird & Company, Corporation. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 10,500 shares underlying five-year warrants to be sold to the underwriter at 1¢ per warrant, exercisable initially at \$4 per share, and 6,000 shares underlying like warrants which were granted to two directors and two close associates prior to this offering. An additional 30,000 shares included in the statement are reserved for issuance upon exercise of stock options granted to officers and key employees.

The company is engaged primarily in the development and sale of ethical pharmaceutical products used in the treatment of dermatological conditions and for general skin care. Pursuant to a plan of reorganization during September 1961, Musher Foundation, Incorporated, changed its name to Aveeno Pharmaceuticals, Inc.,

and the stockholders of Musher Foundation, Incorporated accordingly turned in their old certificates and received in exchange therefor 164,046 shares of common stock of Aveeno Pharmaceuticals, Inc. As a further step, Aveeno Pharmaceuticals, Inc. acquired all of the outstanding stock of Aveeno Corporation and Musher and Company, Incorporated in exchange for 210,954 shares of its common stock. The holders of the common stock of Aveeno Corporation and Musher and Company, Incorporated, were substantially identical to those of Musher Foundation, Incorporated. Net proceeds from the stock sale will be used primarily for advertising and sales development of products now being sold, for the sales development of new products, and for general working funds.

The company has outstanding 375,000 shares of common stock, of which Albert Musher, president, Sidney Musher, vice president, and Alfred R. Meyer, a director, own 17.8%, 19% and 10.1%, respectively, and management officials as a group 52.1%.

**KING LOUIE BOWLING FILES FOR STOCK OFFERING.** King Louie Bowling Corporation, 8788 Metcalfe Rd., Overland Park, Kansas, filed a registration statement (File 2-19006) with the SEC on September 27th seeking registration of 325,000 shares of common stock, to be offered for public sale at \$3 per share. The offering will be made on an all or none basis through underwriters headed by George K. Baum & Company, which will receive a 30¢ per share commission.

The company was organized under Delaware law in June 1961. In August, 1961, it acquired the assets and assumed the liabilities of its predecessors, King Louie Bowl, Inc., and Plaza Bowl Investment Company, Inc., both Missouri corporations. As a result of these acquisitions, it assumed the operation of four bowling establishments in the Kansas City area, the first of which was opened in 1940. These establishments are modern and air-conditioned, and have an aggregate of 112 fully automatic lanes for ten-pin bowling. The name "King Louie" is a registered trade name owned by Holiday Sportswear, Inc., a corporation which is under common control with the company. The prospectus states that as of July 31, 1961, the company's consolidated current liabilities exceeded its consolidated current assets by \$449,283. Of the net proceeds from the stock sale, \$219,300 will be used to retire certain obligations, and the balance will be added to general funds and will be available for general corporate purposes, including possible acquisitions. In addition to various indebtedness, the company has outstanding 33,000 shares of common stock and 341,930 restricted common shares, of which latter stock Morris Lerner, secretary, Harry Lerner, a director, Victor Lerner, president, and Jack E. Glenn, a director, own 19.85% each. The 33,000 common shares were issued in exchange for the assets of Plaza Bowl Investment Company, Inc., in August 1961. The purchase price, in addition to the assumption of liabilities, was \$325,000. In payment, the company issued to Plaza 33,000 shares of common stock at \$3.00 per share; a non-interest bearing promissory note in the amount of \$100,000, which is payable on the date of the closing with the underwriters in connection with this offering and four 6% promissory notes in the amount of \$31,500 each, maturing serially over a four year period commencing on January 2, 1963. The liabilities assumed by the company amounted to \$347,151, including \$45,000 owed by Plaza to John Duncan, its principal stockholder and now executive vice president of the company, on a loan made to finance the purchase of alley beds.

**KNICKERBOCKER TOY FILES FOR STOCK OFFERING.** Knickerbocker Toy Co. Inc., 401 Butler Street, Brooklyn, N. Y., filed a registration statement (File 2-19008) with the SEC on September 27th seeking registration of 100,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Netherlands Securities Company, Inc. and two other firms. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 11,100 outstanding shares to be sold to the underwriters by the holders thereof at \$4.50 per share, and 3,900 shares to Sutro Bros. & Co., a finder, at the same price.

The company designs and manufactures toys, which it markets throughout the United States. Its principal toys are stuffed animals and dolls. The net proceeds from the stock sale will be added to working capital and will be available to meet operating requirements and for other corporate purposes. In addition to certain indebtedness, the company has outstanding 300,000 shares of common stock, of which Leo L. White, president, and Richard Shapiro, executive vice president, own 81% and 12%, respectively.

**SECURITIES ACT REGISTRATIONS.** Effective September 28: Cerro Corporation (File 2-18740); Hawaiian Telephone Company (File 2-18692); Hilco Homes Corp. (File 2-18447); Keystone Alloys Company (File 2-18664); Nitrogen Oil Well Service Company (File 2-18158); The Seeburg Corp. (File 2-18717).

**Withdrawn September 28:** Hathaway Instruments, Inc. (File 2-18079).

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