

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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

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



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FOR RELEASE December 23, 1960

**FUTTERMAN CORP. SHARES IN REGISTRATION.** The Futterman Corporation, 580 Fifth Ave., New York, filed a registration statement (File 2-17403) with the SEC on December 22, 1960, seeking registration of 63,284 shares of Class A stock.

According to the prospectus, Futterman has been operating the Arva Hotel, <sup>Virginia</sup> Arlington, Va., since June 10, 1959, under a lease. It now proposes to acquire from Hotel Corporation of ~~America~~ the land and buildings comprising the Arva Hotel at an aggregate price of \$1,335,000, payable \$127,003 in cash, \$398,984 by taking title subject to a first mortgage note, \$85,000 by taking title subject to a second mortgage note, \$71,000 by taking subject to a third mortgage note (held by the company and acquired simultaneously with the lease) and \$653,013 by delivery of 49,284 shares of Class A stock at a valuation of \$13.25 per share. Futterman also will acquire (a) from Ft. Meyer Lodge, Inc., its interests as lessee and lessor in certain underlying leases of the Arva Hotel and of the furniture, fixtures and equipment located therein at an aggregate price of \$118,000, payable \$65,000 in cash and \$53,000 by delivery of 4,000 Class A shares; and (b) from PBS Operating Company, Inc., all furniture, fixtures and equipment located in the Arva Hotel at a purchase price of \$132,500 payable by delivery of 10,000 Class A shares.

After carrying out the foregoing transactions, Futterman will remain liable for the balance of a purchase money mortgage on its existing leasehold interest in Arva Hotel (or \$50,000 after payment of \$12,500 due January 10, 1961). The net cost to Futterman of obtaining the lease to the Arva Hotel (after reflecting payment of said balance of \$50,000 and the merging or non-receipt of the \$71,000 balance due on the third mortgage note) amounted to about \$271,000, exclusive of attorney's fees and expenses of closing. The final cost of Futterman of the hotel will approximate \$1,785,000 plus brokerage, fees and expenses estimated at \$110,000.

**MARMAC INDUSTRIES FILES FOR OFFERING.** Marmac Industries, Inc., Wenonah, New Jersey, filed a registration statement (File 2-17404) with the SEC on December 22, 1960, seeking registration of 108,000 shares of common stock, to be offered for public sale at \$4.50 per share through a group of underwriters headed by Metropolitan Securities, Inc., of Philadelphia. The underwriters will receive \$7,500 for expenses and a 55¢ per share commission. The company will issue to the principal underwriter 5-year warrants to purchase an additional 12,000 shares of common stock at \$4.50 per share.

The company (formerly Wenonah Wood Products, Inc.) is engaged in the manufacture and sale of wood kitchen cabinets, formica-covered kitchen counter tops, formica-covered bathroom vanities and custom designed wood kitchen cabinets of all types. The \$400,000 net proceeds from the sale of stock will be used as follows: \$75,000 for capital improvement and plant expansion, reorganization and layout; \$50,000 for sales and promotion to develop new markets in dealer and distributor areas; \$75,000 for the hiring of technical personnel and purchase of additional equipment to reactivate the machine shop division; \$75,000 to increase inventory of raw material and to inventory finished cabinets and related items; and \$125,000 for general working capital.

Pursuant to a recapitalization in November 1960, the company's 100 shares of common stock then outstanding were exchanged for 132,000 shares of common stock, of which Max Gitomer, president, and Martin Gitomer, secretary-treasurer, own 65,999 shares each.

**AMERICAN RESEARCH ORDER ISSUED.** The SEC has issued an order (Release 40-3163) certifying pursuant to Section 851(e) of the Internal Revenue Code of 1954 that American Research and Development Corporation, Boston investment company, "is principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available."

**INSTITUTIONAL SHARES ACQUISITION EXEMPT.** The SEC has issued an exemption order under the Investment Company Act (Release 40-3164) permitting Institutional Shares, Ltd., New York investment company, to issue shares of Institutional Foundation Fund, a class of voting stock of Institutional, at the net asset value thereof, for substantially all the cash and securities of Burton Pierce Company.

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For further details, call WOrth 3-5526

**LEADER-DURST SAFEDE FILES FOR OFFERING.** Leader-Durst Safede Company, 41 East 42nd Street, New York, filed a registration statement (File 2-17405) with the SEC on December 22, 1960, seeking registration of \$1,027,000 of Limited Partnership Interests, to be offered for public sale at \$5,000 per interest. No underwriting is involved.

The company is a limited partnership organized under New York law on December 2, 1960, consisting of I. Theodore Leader and Joseph Durst, as general partners and Beatrice Leader, Harrold Seth Leader and Stanley Weingast as limited partners. The partnership proposes to acquire title to the property known as Capitol City Apartments, Unit No. 1, located in West Sacramento, Calif., Davidson Bros. Department Store, the Radio City Theatre, and Ferndale Detroit Crown Self-Service Store, located in Ferndale, Michigan, and a 60% undivided interest in River Oaks Apartments in Dearborn, Michigan.

The Sacramento properties are being acquired for \$300,000 in cash above the unpaid balance of deeds of trust amounting to \$700,000 (the full amount of which cash was advanced by Leader and Durst); the Ferndale properties for \$325,000 in cash above a first mortgage in the amount of \$600,000; and the Dearborn interest for a total purchase price of \$400,000 above first mortgages in the amount of \$1,300,000. Thus, the amount of cash required to acquire the three properties is \$1,025,000. Leader and Durst also advanced \$12,500 on the contract to acquire the Ferndale properties and \$15,000 on the contract to acquire the Dearborn properties, and additional payments by them of \$22,500 are required. Under terms of the partnership agreement, Leader and Durst paid into the partnership \$10,000 in cash and contributed the purchase contracts, for which they received \$170,000 in subordinated limited partnership interests. The original limited partners have contributed \$15,000. Leader and Durst will receive reimbursement in the amount of \$350,000 for cash deposited under the purchase contracts.

**TRANSWESTERN MUTUAL FUND FILES FOR OFFERING.** Transwestern Mutual Fund, 1100 East Plumb Lane, Reno, Nevada, filed a registration statement (File 2-17406) with the SEC on December 22, 1960, seeking registration of 200,000 shares of common stock, to be offered for public sale at their net asset value plus a sales charge of 8-3/4%.

Organized under California law in October 1960, the Fund is an open-end diversified management investment company registered under the Investment Company Act. Transwestern Life Insurance Company, of Nevada, organized the Fund and purchased an initial issue of 25,000 shares of capital stock for \$125,000; and its subsidiary, Transwestern Management Corp. is listed as the Fund's manager and underwriter. Dodge & Cox will serve as investment adviser. Kenneth P. Dillon is listed as president.

**KNICKERBOCKER BIOLOGICALS FILES FOR SECONDARY.** Knickerbocker Biologicals, Inc., 300 W. 43rd St., New York, today filed a registration statement (File 2-17407) with the SEC seeking registration of 100,000 shares of Class "A" stock, to be offered for public sale at \$6 per share by the holders thereof. No underwriting is involved, but the sellers reserve the right to sell all or part of the issue through brokers and dealers at a commission not to exceed 11%.

The company is engaged in the manufacture, packaging and distribution of a line of diagnostic serums and cells used for the purpose of blood grouping and testing. It and a subsidiary also operate blood donor centers in New York and Philadelphia, where whole human blood is collected, stored and subsequently distributed to hospitals. The company now has outstanding 100,000 shares of Class A and 400 shares of Class B stock (and 400,000 Class A shares are reserved for conversion of Class "B" stock). All of the stock is owned by Knickerbocker Foundation, Inc., and Dr. Amos Cahan, who proposes to make a public offering of the 100,000 Class A shares. After such sale, the Foundation will not own any securities of the company; and Dr. Cahan, company president, will own the 400 Class B shares.

**ILIKON CORP. PROPOSES OFFERING.** Ilikon Corporation, Natick, Mass., today filed a registration statement (File 2-17408) with the SEC seeking registration of 75,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on an all or none basis by Myron A. Lomasney & Co., who will receive a commission of \$.625 per share. The company sold the underwriter 12,500 shares in August at \$1 per share and 12,500 shares in November at \$2 per share, which shares are included in the registration statement and may be offered and sold after completion of the company's offering. Also included in the registration statement are an additional 250,000 common shares held by the founders of Ilikon and by certain private investors, which shares are not being publicly offered at this time but may be so offered at some time in the future.

Ilikon was organized under Delaware law in June 1960 to undertake research and development in the field of "materials engineering and science," which is said to involve the development of new materials, new methods of materials fabrication and devices based on new materials developed. According to the prospectus, a small group of highly trained scientists and technicians has been employed and a modern building has been leased and equipped with the latest laboratory and testing devices. The company also expects to do contractual research and development work for other corporations and government agencies. Net proceeds of this financing, estimated at \$308,550, together with other company funds, will be used for certain projects now in the "laboratory stage" and the balance for general corporate purposes.

The founders of the company are Neil E. Rogen, president, Laszlo J. Bonis, vice president, Ole A. Sandven, vice president, and Quing N. Wong, an associate of the underwriter. They now hold about 54.5% of the 275,000 outstanding common shares, acquired at the 10¢ par value of the shares. In addition to purchases by the underwriter, nine other holders acquired 100,000 shares at \$2 per share.

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