

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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ASSOCIATED BABY SERVICES FILES FOR OFFERING AND SECONDARY. Associated Baby Services, Incorporated, 149 Madison Avenue, New York, filed a registration statement (File 2-19644) with the SEC on January 17th seeking registration of 160,000 shares of common stock, of which 60,000 shares are to be offered for public sale by the company and 100,000 shares, being outstanding stock, by the holders thereof. The offering will be made at \$7.50 per share through underwriters headed by Brand, Grumet & Seigel, Inc., which will receive a \$.488 per share commission and \$36,000 for expenses. The statement also includes 15,000 shares underlying 4-year warrants sold to the underwriters for \$150, exercisable at \$7.50 per share.

The company operates diaper services in 11 metropolitan areas in 10 states, linen supply businesses in Houston and New Orleans, and a laundry and dry cleaning establishment in New Orleans; publishes "Baby Talk" Magazine in the infant field with distribution throughout the United States and Canada; manufactures and sells disposable products in the form of hospital pads and diapers; and distributes plastic and fibreboard hampers used by diaper service customers for soiled diapers. Of the net proceeds from the company's sale of additional stock, \$85,000 will be used to purchase and install additional machinery and equipment at the new Bound Brook, New Jersey plant of the "Blessings" Disposable Products Division and at the existing Elmhurst, New York plant of the Diaper Service Division, and the balance will be added to working capital and used to reduce outstanding bank loans.

In addition to certain indebtedness, the company has outstanding 505,538 shares of common stock (after giving effect to a recent 2-for-1 stock split), of which Morris A. Bonoff, board chairman and president, and Joseph Michalover, a director, own 97,466 and 70,016 shares, respectively. They propose to sell 22,000 and 24,000 shares, respectively. The prospectus lists 7 other selling stockholders who propose to sell amounts ranging from 1,000 to 15,000 shares.

RISING'S FILES FOR STOCK OFFERING. Rising's Inc., 151 North Vermont Avenue, Los Angeles, Calif., filed a registration statement (File 2-19646) with the SEC on January 18th seeking registration of 100,000 shares of capital stock, to be offered for public sale at \$3 per share. The offering will be made on an all or none basis by Garat & Polonitza, Inc., which will receive a 36¢ per share commission and \$8,000 for expenses. The statement also includes 5,000 outstanding shares underlying a five-year option granted by the company's principal stockholder to the underwriter, exercisable at the public offering price.

The company is engaged in the distribution of electrical and electronic parts, components and equipment manufactured by others. Of the \$230,000 estimated net proceeds from the stock sale, \$150,000 will be used to retire a 6.6% bank loan incurred to finance inventories, and the balance will be added to general funds for working capital to be used principally for purchasing additional inventory. In addition to certain indebtedness, the company has outstanding 62,320 shares of capital stock (after giving effect to a recent 10-for-1 stock split and subsequent retirement of 76,170 of the new shares), of which Robert R. Herrick, president (issuer of the option) and Cecil C. Stoffer, vice president, own 78% and 20%, respectively. Book value of stock presently outstanding is about \$2.80 per share.

PRODUCERS COTTON OIL CO. FILES FOR STOCK OFFERING. Producers Cotton Oil Company, 2907 South Maple Ave., Fresno, Calif., filed a registration statement (File 2-19647) with the SEC on January 18th seeking registration of 200,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Kidder, Peabody & Co. and Dean Witter & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are engaged primarily in growing cotton, operating cotton gins, processing cottonseed and selling raw cotton and cottonseed products. The net proceeds from the stock sale will be used to acquire additional cotton-producing lands in order to expand farming operations and to increase assured supply of raw cotton and cottonseed. The prospectus indicates that except for the proposed acquisition of about 1,100 acres by a subsidiary, the company has no present commitments with respect to such acquisitions and, in the interim, expects to use the net proceeds to meet seasonal cash needs (primarily crop and inventory financing) normally satisfied by short-term bank borrowings.

In addition to certain indebtedness, the company has outstanding 829,109 shares of common stock, of which the estate of J. E. O'Neill owns 10.2% and management officials as a group 14.9%. Harry S. Baker is president.

PICTRONICS FILES FOR STOCK OFFERING. Pictronics Corporation, 236 East 46th Street, New York, filed a registration statement (File 2-19648) with the SEC on January 18th 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 a best efforts basis by Bayes, Rose & Co., Inc., of New York, which will receive a 50¢ per share commission and \$15,000 for expenses. The statement also includes (1) 26,000 shares sold to the underwriter (20,000 shares) and to Hy Gardner (5,000 shares) and Eugene Ross (1,000 shares) as finder's fees, all at 10¢ per share, which shares are to be offered for public sale by said holders at \$5 per share after completion of the company's offering; (2) 20,000 shares underlying 3-year warrants to be issued to the underwriter at no cost,

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exercisable at \$6 per share; (3) 30,000 shares underlying outstanding stock purchase warrants principally owned by management officials; and (4) 10,000 outstanding shares owned by Rachel Price. As further finder's fees, an aggregate of 500 shares have been issued to Harold Peters and Bertram Steinberg. Assuming all shares for the accounts of the company, underwriter and finders are sold (exclusive of shares underlying warrants), the company will realize net proceeds of \$325,000 and the underwriters and finders will receive \$182,400.

The company (formerly V.P.&B., Inc.) is principally engaged in the development, manufacture, distribution and sale of professional audio visual and sound recording equipment. In addition to the marketing of a number of proprietary products, the company makes custom modifications for its customers of products manufactured by others and acts as a distributor and dealer for a number of manufacturers in these fields. Of the \$325,000 estimated net proceeds from the company's stock sale, \$100,000 will be used to repay notes and indebtedness to factors, \$150,000 for the purchase of equipment for rental operations, and \$75,000 for working capital, including expansion of repair facilities, sales programs, research and development, and expanded manufacturing facilities. The prospectus shows a net income of \$1,119 for the ten months ended October 1961.

In addition to certain indebtedness, the company has outstanding 145,000 shares of common stock, of which Harry Berman, board chairman, owns 32,000 shares, and Milton M. Bahn, president, Clifford Van Praag, secretary, and Irving Berman, treasurer, 25,000 shares each. Such holdings represent an investment of \$2,500 by each of said four stockholders at the time of the company's organization in 1960, at which time they each received 25 common shares. Pursuant to a subsequent recapitalization, they received the shares now owned by them in addition to 7,375 stock purchase warrants each, exercisable at \$6 per share (included in this statement).

BISHOP OIL DELISTING PROPOSED. The SEC has issued an order under the Securities Exchange Act (Release 34-6710) giving interested persons until February 2d to request a hearing upon an application of the Pacific Coast Stock Exchange to delist the common stock of Bishop Oil Company, which is in the process of liquidation.

HUNGARIAN DISCOUNT BANK DELISTING APPROVED The SEC has issued an order granting an application of the Boston Stock Exchange to delist the 7% 30-Yr. Sinking Fund Gold Bonds, due 1963, of Hungarian Discount and Exchange Bank, effective close of business January 31st (there have been no transactions in this issue on the Exchange since 1936). (Release 34-6710).

TEXAS PACIFIC RAILWAY DELISTED. The SEC also has issued an order (Release 34-6710) granting an application of the New York Stock Exchange to delist the common stock of Texas and Pacific Railway Company, effective close of business January 31st, by reason of the limited public distribution thereof.

FOREIGN BONDS. The SEC also has issued an order granting an application of the New York Stock Exchange to delist 36 previously-suspended foreign bonds and certificates of deposit, effective close of business January 31st. The reason for these delistings is that, in the opinion of the Exchange, the suspended securities which are the subject of this application are no longer suitable for continued listing on the Exchange in that offers of exchange and of settlement have been made with respect to the fourteen "West" German issues and 6 Austrian issues and accepted by substantially all of the holders of such validated or qualified securities; and, with respect to the remaining 15 issues of "East" German, Bulgarian and Hungarian origin the Exchange is informed and believes that such latter issues have not been qualified for restoration of dealings under an agreement with the United States Government. (For list, see Release 34-6710).

CORPORATE SECURITY OFFERINGS. See Statistical Release No. 1803, for Newspapers of Monday, January 22d, for report on new securities offered by U. S. Corporations in 1961 (amounting to \$12.9 billion, equalling the record 1957 total and comparing with \$10.2 billion in 1960).

AT & T PROPOSES DEBENTURE OFFERING. American Telephone and Telegraph Company, 195 Broadway, New York, today filed a registration statement (File 2-19650) with the SEC seeking registration of \$300,000,000 of debentures due 1994, to be offered for public sale at competitive bidding. The net proceeds from the debenture sale will be used for advances to subsidiary and associated companies, for purchase of stock offered for subscription by such companies, for extensions, additions and improvements to its own telephone plant, and for general corporate purposes. Construction expenditures by the company and its principal subsidiaries approximated \$2,658,000,000 for 1960 and \$2,700,000,000 for 1961, and it is anticipated that such expenditures for 1962 will be higher than for 1961.

LEHIGH INDUSTRIES OFFERING CLARIFIED. In the SEC News Digest of January 4th, reference was made to a proposed public offering of stock by Lehigh Industries & Investing Corporation, of Miami Beach. Reference was made to a \$4 "estimated" offering price of the shares. This figure was given solely for the purpose of estimating the applicable registration fee, the actual offering price to be determined in relation to the market price at the time of offering.

SECURITIES ACT REGISTRATIONS. Effective January 18: Southern Syndicate, Inc. (File 2-18885). Effective January 19: Iron Fireman Manufacturing Co. (File 2-19163). Withdrawn January 19: Nutri-Bio Corp. (File 2-19144).