

# 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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**GOURMET FOOD PRODUCTS FILES FOR STOCK OFFERING.** Gourmet Food Products, Inc., 915 S.E. Tenth Avenue, Portland, Oregon, filed a registration statement (File 2-20410) with the SEC on May 25th 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 through underwriters headed by Darius Incorporated, 80 Pine Street, New York, which will receive a 54¢ per share commission and \$22,500 for expenses. The statement also includes 10,000 outstanding shares sold to the principal underwriter by stockholders at 10¢ per share, and 4,000 outstanding shares sold by them to Herman Goldberg, a financial consultant, at \$1 per share.

The company is engaged in growing, purchasing, distributing and selling whole potatoes, and in the processing and sale of prepared potato products, including regular and crinkle cut french fries. Of the \$336,500 estimated net proceeds from the stock sale, \$100,000 will be used to erect a new cold storage plant, and the balance to purchase and install a new freezing tunnel and packaging line, to modernize potato processing machinery, to purchase additional farming machinery, for additional delivery and display equipment for packaged foods, and for working capital. In addition to certain indebtedness, the company has outstanding 110,000 shares of common stock (after giving effect to a recent recapitalization), of which Norman W. Hyder, president, Gordon R. Merrill, vice president, Ruth A. Hyder, treasurer, and Leonara A. Merrill own 21.6% each.

**MIDWEST PLANNED INVESTMENTS FILES FOR STOCK OFFERING.** Midwest Planned Investments, Inc., 1300 First National Bank Bldg., Minneapolis, filed a registration statement (File 2-20411) with the SEC on May 28th seeking registration of 250,000 shares of common stock, to be offered for public sale by its sales force which will receive an 8% commission. The public offering price (maximum \$7 per share\*) is to be supplied by amendment.

The company (formerly Minnesota Planned Investments, Inc.) was organized in 1960 and until January 1962 was principally engaged in the distribution of shares and contractual plans of other mutual funds, in over-the-counter trading of securities and, to a limited extent, in underwriting of securities of others. During 1961 it undertook the establishment of Midwest Investors Fund, Inc., and sponsored Midwest Investors Program, a contractual plan for the systematic accumulation of shares of Midwest Investors Fund. In January 1962, it commenced activities as investment advisor of the Fund and began distribution of Fund shares and Plans. It also continues to distribute shares of other mutual funds to a limited extent. The prospectus states that the company has never shown a net profit for any year in which it has operated and its management does not contemplate that it will do so for several years. Of the net proceeds from the stock sale, \$750,000 will be used to recruit, hire and train qualified personnel to sell mutual funds and life insurance, and to "annualize" first year commissions due said personnel on the sale of installment payment contractual programs, \$250,000 to sponsor and promote the Fund, \$100,000 to acquire, equip and maintain regional offices, and the balance for working capital.

In addition to certain indebtedness, the company has outstanding 472,800 shares of common stock, of which Charles F. Wallander, Jr., president and board chairman, owns 11% and management officials as a group 46%. Of such stock, 184,000 shares were acquired at 10¢ per share and 140,000 shares at \$1 per share.

**PERMA-BILT ENTERPRISES FILES FOR STOCK OFFERING.** Perma-Bilt Enterprises, Inc., 319 Mac Arthur Blvd., San Leandro, Calif., filed a registration statement (File 2-20412) with the SEC on May 28th seeking registration of 230,000 shares of common stock, to be offered for public sale through underwriters headed by Robert A. Martin Associates, Inc., 680 Fifth Avenue, New York. The public offering price (maximum \$8 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes 11,500 shares to be sold to the underwriter for an aggregate of \$115, and 3,000 outstanding shares to be sold to the underwriter by two stockholders for \$30.

Organized under Delaware law in February 1962 as a successor to a number of businesses, the company is primarily engaged, within metropolitan population areas, in the merchandising, sale and volume construction of architecturally designed homes with fully improved lots. In addition, the company constructs and sells rental properties, principally apartment houses, purchases and develops land for resale and performs industrial and residential plumbing work. The net proceeds from the stock sale will be used to exercise an option and to make the required down payment on the purchase price of real property in Dublin, Calif., to acquire additional land for development and to develop land now owned or to be acquired, and for general corporate purposes. In addition to certain indebtedness and preferred stock, the company has outstanding 190,000 shares of common stock, of which Daniel Schwartz, president and board chairman, and Robert M. Isaacs, secretary, own 55.1% and 36.7%, respectively.

**STAINLESS STEEL PRODUCTS FILES FOR OFFERING AND SECONDARY.** Stainless Steel Products Inc., 2980 North San Fernando Blvd., Burbank, Calif., filed a registration statement (File 2-20413) with the SEC on May 28th seeking registration of 100,000 shares of capital stock, of which 75,000 shares are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the holders thereof. First California Company, 300 Montgomery St., San Francisco, heads the list of underwriters. The public offering price (maximum \$10 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes

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5,000 shares underlying 4-year options to be sold to the underwriter for \$500, exercisable at a price to be supplied by amendment.

The principal business of the company is the design, development and manufacture of high pressure, high temperature ducting systems for use in aircraft and missiles. These products, with minor exceptions, have been designed and developed by the company for specific applications requiring the use of stainless steels (including chrome nickel, cobalt base and titanium). The company is also developing commercial and industrial applications for its products. As of March 31, 1962, the company acquired (for \$700,000) all of the outstanding stock of National Frost Protection Co., Inc. which in turn owns two-thirds of the outstanding stock of McIntosh Precision Products, Inc. These companies manufacture and sell wind machines used primarily to protect orchards from frost damage. Of the net proceeds from the company's sale of additional stock, \$150,000 will be used to acquire land and improvements for future expansion of manufacturing operations, \$150,000 to purchase new equipment for improved mechanization and further upgrading of present facilities, including equipment used in the manufacture of thin-wall stainless steel tubing, and the balance to increase working capital and, initially, to reduce certain current short-term bank loans.

In addition to certain indebtedness, the company has outstanding 222,220 shares of capital stock, of which Harley N. Rubish, president, and five other management officials own 14.9% each. They each propose to sell 4,157 shares (4,166 in two cases).

MOSKATEL'S FILES FOR OFFERING AND SECONDARY. Moskatei's, Inc., 738 South Wall Street, Los Angeles, filed a registration statement (File 2-20414) with the SEC on May 28th seeking registration of 104,000 shares of capital stock, of which 20,000 shares are to be offered for public sale by the company and 84,000 shares, being outstanding stock, by the holders thereof. Thomas Jay, Winston & Co., Inc., 464 North Bedford Dr., Beverly Hills, Calif., heads the list of underwriters. The public offering price (maximum \$8.50 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes 11,000 outstanding shares to be sold to the underwriter by the selling stockholders and 3,000 shares to Edward Berman, as a finder's fee, all at 50¢ per share.

The company is engaged in the wholesale and retail sale of artificial flowers and florists' supplies, including Christmas decorations and ribbons. The net proceeds from the company's sale of additional stock will be used to pay Federal income taxes for the last fiscal year. In addition to various indebtedness, the company has outstanding 300,000 shares of capital stock (after giving effect to a recent 10-for-1 stock split), of which Leon Moskatei, president, owns 114,400 shares, and Edith Moskatei, vice president, and Sam Applebaum, executive vice president, own 85,800 shares each. They propose to sell 33,600, 25,200 and 25,200 shares, respectively.

CENTURY FOOD PROCESSORS FILES FOR OFFERING AND SECONDARY. Century Food Processors, Inc., 3001 Michigan Ave., Detroit, filed a registration statement (File 2-20415) with the SEC on May 28th seeking registration of 200,000 shares of Class A stock, of which 165,000 shares are to be offered for public sale by the company and 35,000 shares, being outstanding stock, by the holders thereof. Charles Plohn & Co., 4 Albany Street, New York, heads the list of underwriters. The public offering price (maximum \$3 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes 53,500 outstanding common shares (convertible into Class A shares) underlying an option granted to the underwriter by the selling stockholders, exercisable initially at \$3 per share.

The company (formerly Michigan Shortening Co.) is principally engaged in the manufacture of animal and vegetable shortening products which are sold in Michigan for commercial use in the frying and baking of foods. Of the \$400,000 estimated net proceeds from the company's sale of additional stock, \$160,000 will be used to purchase and install equipment for a plant proposed to be leased in Ohio, and the balance to purchase hydrogenation equipment for use in its Detroit plant, and for working capital. In addition to certain indebtedness, the company has outstanding 330,000 shares of common stock, of which William J. Poplack, president, and Samuel Wolf (and Augusta Wolf) and Reuben Welnez, vice presidents, own 64.1%, 19.6% and 14.4% respectively. The names of the selling stockholders and amounts to be sold by each are to be supplied by amendment.

PLAYBOY CLUBS FILES FOR STOCK OFFERING. Playboy Clubs International, Inc., 232 E. Ohio St., Chicago, filed a registration statement (File 2-20416) with the SEC on May 28th seeking registration of 270,000 shares of common stock, to be offered for public sale through underwriters headed by Divine & Fishman, Inc., 134 S. La Salle Street, Chicago. The public offering price (maximum \$7 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes 12,000 shares underlying a 3-year option to be sold to the underwriter for \$120, exercisable at a price to be supplied by amendment.

The company and its subsidiaries are primarily engaged in the ownership and franchising of Playboy Clubs, which feature the sale of alcoholic beverages and food and the furnishing of entertainment. Admission to such Clubs is obtained by the purchase (at from \$25 to \$50 each) of a Playboy Key or the payment of an equivalent charge. At present clubs are owned and in operation in Chicago and Miami, and in operation under franchise in New Orleans. Other owned clubs are presently in the process of establishment in New York City, San Francisco and Los Angeles, and other franchises have been granted for clubs in Baltimore, Boston, Detroit and St. Louis. Of the net proceeds from the stock sale, \$213,000 will be used to repay the balance of the purchase price (\$533,000 and the guaranty by the company of \$164,000 of outstanding debentures) of the Miami Playboy Club; \$400,000 to pay in full accounts receivable financing incurred to redeem the debentures of the Miami Club, to make payments of \$96,333 in connection with the acquisition of the Miami Club, and to pay a \$125,000 bank loan; and the balance for general corporate purposes. In view of certain commitments of the company in respect to the opening of the clubs in New York, Los Angeles and San Francisco, a substantial portion of the net proceeds (estimated at \$1,000,000) may be applied toward the payment of such commitments.

In addition to certain indebtedness, the company has outstanding 1,230,000 shares of common stock (after giving effect to a recent recapitalization and acquisition of Chicago Playboy Club, Inc. for 333,208 shares), of which Hugh M. Hefner, president, Victor A. Lownes III and Arnold J. Morton, vice presidents, and HMH Publishing Co., Inc. (79.3% owned by Hefner) own 31.8%, 25%, 25% and 18.2%, respectively. After this stock sale, present stockholders will own 82% of the outstanding stock for which they paid \$11,600 upon organization (1960) and which had a book value of \$1,131,401 (92¢ per share) as of February 28, 1962.

**DIRECTOMAT FILES FOR SECONDARY.** Directomat, Inc., 1270 Avenue of the Americas, New York, filed a registration statement (File 2-20417) with the SEC on May 28th seeking registration of 180,050 outstanding shares of common stock and outstanding warrants to purchase an additional 200,000 common shares at from \$1 to \$2.25 per share. Such securities are to be offered for public sale by the holders thereof from time to time in the New York over-the-counter market at prices then obtainable or at private sales at negotiated prices (maximum \$1.25 per share\*).

The company manufactures and leases a machine which it designed for dispensing information and publicity on small slips of paper to members of the public. The machine (called a "Directomat") is an electrical and mechanical device which responds automatically to push-buttons operated by the inquirer with respect to a definite number of pre-established questions. As an accessory, a counter (called a "Pollomat") may be added to a Directomat to register the number of times each question is asked. The slips of paper dispensed by Directomats bear advertising matter as well as informational material and the company sells these slips to the lessees of its machines. The company is in the development stage and, to date, has had no net earnings and has from time to time issued stock in payment of services rendered or materials furnished to the company. The company has outstanding 895,023 shares of common stock (with a present book value of 25.1¢ per share), of which Max M. Tamir, president, and Merchandise & Investment Trust own 16.78% and 11.17%, respectively. Milton Unger, board chairman, owns warrants to purchase 450,000 common shares (out of 500,000 such warrants outstanding) and proposes to sell 200,000 warrants. The prospectus lists 13 selling stockholders including Tamir, who proposes to sell 60,000 shares, and Unger, who proposes to sell all of his holdings of 25,000 shares. Others propose to sell amounts ranging from 1,000 to 20,000 shares.

**NORWAY PROPOSES BOND OFFERING.** The Kingdom of Norway filed a registration statement (File 2-20418) with the SEC on May 28th seeking registration of \$25,000,000 of external loan bonds due 1977, to be offered for public sale through underwriters headed by Harriman Ripley & Co., Inc., 63 Wall St., New York, and three other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The net proceeds from the bond sale will be applied to the acquisition and importation of capital equipment required for the development of the Norwegian economy.

**TRANSARIZONA RESOURCES FILES FOR STOCK OFFERING.** Transarizona Resources, Inc., 201 East Fourth St., Casa Grande, Ariz., filed a registration statement (File 2-20419) with the SEC on May 28th seeking registration of 500,000 shares of capital stock, to be offered for public sale at \$1.50 per share. No underwriting is involved. A commission of 22.5¢ per share will be paid to management officials and employees effecting sales of such stock.

The company is engaged in the exploration, development and production of the Lakeshore copper deposit located 29 miles south of Casa Grande, Ariz. Of the \$615,000 estimated net proceeds from the stock sale, \$240,000 will be used to purchase and install additional furnace and cooler equipment including ore bins and feeders, \$150,000 for exploration, \$115,000 for working capital and other corporate purposes, and the balance to purchase and install a preheater used in plant expansion, additional flotation cells to handle a plant capacity increase and plant equipment for by-product iron recovery.

In addition to certain indebtedness, the company has outstanding 3,000,000 shares of capital stock, of which Transcontinental Resources, Ltd., of Vancouver, B.C., owns 2,345,900 shares and management officials as a group 180,000 shares. James Doan Mason is president of the company and its parent.

**GRUMAN-BOND FILES FOR STOCK OFFERING.** Gruman-Bond Equipment Corp., 6400 Chillum Place, N. W., Washington, D. C., filed a registration statement (File 2-20420) with the SEC on May 28th seeking registration of 100,000 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 by Shell Associates, Inc., 40 Exchange Place, New York, which will receive a 36¢ per share commission and \$15,000 for expenses. The statement also includes (1) 4,000 shares to be sold to the underwriter for \$2,000, (2) 12,000 shares underlying 5-year warrants to be sold to the underwriter for \$120, exercisable at \$3 per share, and (3) 45,000 shares issuable pursuant to restricted stock options. The underwriter will sell 400 of such shares and 1,200 of such warrants to Financial Planning Corp., a finder, at cost, and will pay \$4,500 to Victor Belanger, another finder.

The principal business of the company is the furnishing of all equipment necessary for the installation and operation of automatic, self-service, coin-operated installations known as the Norge Laundry and Cleaning Village in Delaware, Maryland, Washington, D.C. and portions of Virginia, West Virginia and North Carolina. The company also assists prospective owners in finding a suitable location for a new store, prepares complete plans and specifications for the layout of the equipment, wiring, plumbing and ventilation, supplies other contract services, and provides for the financing of a substantial portion of its sales through the discount of the installment paper generated by such sales. Of the \$228,500 estimated net proceeds from the stock sale, \$100,000 will be used to establish about five Norge Laundry and Cleaning Village installations for operation by the company or resale, and the balance to establish four additional regional sales and service offices and for additional working capital for general corporate purposes, including additional inventory, installations and acquisition of leases and options on land.

In addition to certain indebtedness, the company has outstanding 81,820 shares of common stock (after giving effect to a recent recapitalization), of which David A. Bonfiglio, president, and three other management officials own 25% each. Sale of new stock to the public at \$3 per share will result in an increase in the book value of stock now outstanding from \$1.10 to \$1.75 per share with a resulting dilution of \$1.25 per share in the book equity of stock purchased by the public.

**MECHMETAL-TRONICS FILES FOR STOCK OFFERING.** Mechmetal-Tronics Inc., 12 Rochelle Avenue, Rochelle Park, N. J., filed a registration statement (File 2-20421) with the SEC on May 28th seeking registration of 150,000 shares of 8% convertible cumulative preferred stock (\$3 par), to be offered for public sale at \$3 per share. The offering will be made by Charles Plohn & Co., 4 Albany St., New York, which will receive a 30¢ per share commission and \$16,500 for expenses. The statement also includes (1) 37,500 common shares underlying 5-year warrants to be issued to the underwriter, exercisable at \$3 per share, and (2) 43,000 outstanding common shares to be offered for public sale later at prevailing prices in the over-the-counter market (33,000 shares by Charles Plohn).

The company is engaged in the design and manufacture of miniature metal bellows and a variety of other miniaturized products utilizing "Mech-metal," a high nickel alloy produced by a metallurgical process of the company. Mech-metal was invented by Victor Hamren who, in 1957, formed Mechtronics Corporation for the purpose of developing the product and as a means of fabricating it. He was subsequently joined by Philip Horrigan in the enterprise. The company in 1958 contracted to purchase the invention for \$1,225,000 and, for an additional \$18,000, all of the stock of Mechtronics Corp., which became the company's manufacturing subsidiary. An amended purchase agreement in 1962 provided for full settlement of the \$1,225,000 purchase price on the basis of the issuance of 150,000 common shares to Hamren and Horrigan and the payment to them of \$175,000 in cash by September 1962 (in addition to \$113,000 of payments previously made and salaries paid or to be paid under employment agreements). Of the \$361,500 estimated net proceeds from the stock sale, \$113,000 will be used to complete payment of the purchase price of the invention, \$100,000 for research and development, and the balance to pay a bank loan incurred for working capital and to pay \$25,000 to Horrigan and Hamren on account of the purchase price, and for working capital.

In addition to certain indebtedness, the company has outstanding 495,000 shares of common stock, of which Hamren and Horrigan own 16.1% and 14.2%, respectively, and management officials as a group 10.2%. Virgil F. Every is president.

**CREATIVE VENTURES FILES FOR STOCK OFFERING.** Creative Ventures Corporation, 733 Third Avenue, New York, filed a registration statement (File 2-20422) with the SEC on May 28th seeking registration of 150,000 shares of common stock and 5-year warrants to purchase an additional 30,000 common shares, to be offered for public sale in units consisting of one share and one warrant to purchase 1/5th of a share at from \$2.50 to \$3.50 per share. The offering will be made at \$2.25 per unit through underwriters headed by Hampstead Investing Corporation, 70 Pine Street, New York, which will receive a 22½¢ per unit commission and \$12,500 for expenses. The statement also includes 30,000 shares underlying like warrants sold to the underwriter for \$1,500.

The company was organized under Delaware law in March 1962 to underwrite offerings of other companies, to act as a broker-dealer in securities, to invest its capital in other companies, particularly those about to be the subject of public offerings, to render financial and management consultant advice to operating companies, and to act as a finder in securing additional capital for companies in need thereof. The \$268,750 estimated net proceeds from the stock sale will be used to invest in other companies, in accordance with the company's program of acquiring interests in newly organized or small companies, principally those about to enter into public offerings. The company has outstanding 280,708 shares of common stock, of which Max Block, Jr., board chairman, Freeman Koo, president, and Sidney Lehrer, treasurer, own 23.32%, 11.67% and 19.91%, respectively, and management officials as a group 80.21%. An aggregate of 150,000 of such shares were sold at 10¢ per share to 28 persons including management officials and 130,708 shares at 60¢ per share to 11 persons (10 of whom also purchased shares at 10¢ per share).

**SECURITIES ACT REGISTRATIONS.** Effective May 29: Hunt Foods and Industries, Inc. (File 2-20116); Minnesota Mining & Manufacturing Co. (File 2-20367); The Mountain States Telephone & Telegraph Co. (File 2-20352); The National Family Insurance Co. (File 2-19525). Withdrawn May 29: Alaska All American Petroleum Corp. (File 2-19794).

\*As estimated for purposes of computing the registration fee.

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