

# 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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**PACKARD INSTRUMENT FILES FOR OFFERING AND SECONDARY.** Packard Instrument Company, Inc., 3713 Grand Blvd., Brookfield, Ill., filed a registration statement (File 2-21040) with the SEC on January 28 seeking registration of 100,000 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 50,000 shares, being outstanding stock, by Lyle E. Packard, board chairman and president. A. G. Becker & Co., Inc., 120 S. La Salle Street, Chicago, heads the list of underwriters. The public offering price (maximum \$25 per share\*) and underwriting terms are to be supplied by amendment. The statement also includes 75,000 shares to be offered pursuant to the company's Employees' Restricted Stock Option Plans.

The company is engaged in the development, manufacture and sale of scientific instruments, principally electronic instruments for the detection and measurement of radioactivity which are used primarily in research laboratories doing tracer studies with radioactive isotopes. Of the net proceeds from the company's sale of additional stock, together with \$800,000 from loans from a bank and insurance company, \$800,000 will be used to repay outstanding short-term indebtedness to a bank (incurred to purchase a plant in Downers Grove, Ill., and for working capital), \$500,000 to construct an addition to the plant, and the balance for working capital, principally to finance increased inventories and accounts receivable. In addition to certain indebtedness, the company has outstanding 615,833 shares of common stock, of which Packard owns 79%. As indicated, he proposes to sell 50,000 shares.

**ALLIED MORTGAGE & DEVELOPMENT FILES FINANCING PLAN.** Allied Mortgage & Development Company, Inc., 3756 Lamar Ave., Memphis, Tenn., filed a registration statement (File 2-21041) with the SEC on January 28 seeking registration of \$2,000,000 of 6% subordinated sinking fund debentures due 1973 (with attached warrants to purchase 200,000 common shares) and 100,000 shares of common stock, to be offered for public sale in units consisting of one \$20 debenture (with one warrant to purchase 2 common shares initially at \$3.75 per share) and one common share. The public offering price of the units (maximum \$2.50 per common share\*), name of the underwriter and underwriting terms are to be supplied by amendment.

The company was organized under Tennessee law in January 1963 to acquire the operations of 8 companies organized at various times between 1957 and 1960. The company is engaged in the general mortgage banking business, in the development of a subdivision containing about 1,707 acres in DeSoto County, Miss. (in connection with which the company owns and operates a water system and sewerage disposal system), and in real estate developments in Oak Ridge and Memphis, Tenn. The company also owns two insurance agencies and holds a franchise to build a Holiday Inn in Cedar Falls, Iowa. Of the net proceeds from this financing, \$1,000,000 will be used to repay a note incurred in connection with the development of a planned community in DeSoto County, \$500,000 will be applied to continued development of acreage for residential housing in that community, and the balance will be added to working capital for acquisition of new properties and development program, including construction of the Holiday Inn. In addition to certain indebtedness, the company has outstanding 700,000 shares of common stock (issued for all of the stock of the 8 predecessors), of which Kemmons Wilson, board chairman, Wallace E. Johnson, vice board chairman, and Cary Whitehead, president, own about 25%, 24% and 26%, respectively. Book value of stock now outstanding is 96¢ per share.

**POWER CAM FILES FOR STOCK OFFERING.** Power Cam Corporation, 2604 Leith St., Flint, Mich., filed a registration statement (File 2-21043) with the SEC on January 28 seeking registration of 200,000 shares of capital stock, to be offered for public sale at \$4.75 per share. The offering will be made on an agency, best efforts basis by Farrell Securities Company, 115 Broadway, New York, which will receive a 7 1/4¢ per share selling commission and \$23,750 for expenses. The statement also includes (1) 8,000 shares underlying 5-year warrants to be sold to the underwriter at 1¢ each, exercisable at \$4.75 per share, and (2) 5,000 outstanding shares sold by principal stockholders to two individuals at 1¢ per share for services in connection with this offering.

Organized under Delaware law in April 1962, the company intends to engage principally in manufacturing and selling a new type of S-cam and roller brake operator unit for use in the wheel brake assemblies of heavy duty automotive vehicles. Of the \$773,500 estimated net proceeds from the stock sale (assuming all shares are sold), \$240,000 will be used for acquisition of machinery and equipment needed to commence production on the initial scale and for office furniture and fixtures; \$150,000 to provide working capital necessary to cover setting up and other costs; \$250,000 to provide capital to purchase additional machinery, equipment, and supplies, and hire additional employees, which will be required if production is to be increased; and \$131,500 to provide contingencies and capital for further expansion of production facilities if and when warranted by demand for the company's product. The company has outstanding 300,000 shares of common stock, of which Daniel J. Menter, president, Monte N. Moore, vice president, Athol M. Moore, secretary-treasurer, and Louis T. Dawe own over 24% each. Promoters and organizers acquired the 300,000 shares for \$10,468 in cash, property valued at \$20,000, and their pre-organization development services and expenses valued at \$19,617. Assuming all shares are sold, they will thus own 60% of the outstanding stock at such cost and the public will own 40% at a cost of \$950,000 in cash.

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**PENN FUEL GAS SEEKS ORDER.** Penn Fuel Gas, Inc., Oxford, Pa., and John H. Ware, its president and principal stockholder, have applied to the SEC for an order under the Holding Company Act authorizing the proposed acquisition by Penn Fuel of all the capital stock (300 shares) of Twin Gas Company (to be incorporated in Pennsylvania as a gas utility company) for an aggregate of \$30,000; and the Commission has issued an order (Release 35-14794) giving interested persons until February 20, 1963 to request a hearing thereon. Penn Fuel has 19 gas utility subsidiaries all operating within Pennsylvania, and Ware owns or controls, directly or indirectly, about 83% of the outstanding common stock of Penn Fuel. Penn Fuel proposes to form Twin Gas to supply natural gas in the Boroughs of Bedford and Everett and in several smaller communities in Bedford County, Pa., which area is close to some of the communities now served by the Penn Fuel system.

**UTAH POWER-TELLURIDE POWER MERGER APPROVED.** The SEC has issued an order under the Holding Company Act (Release 35-14795) approving transactions incident to the merger of Telluride Power Company with and into its parent, Utah Power & Light Company, of Salt Lake City. Under the merger proposal, Utah Power will acquire the assets of Telluride (amounting to \$7,680,000) and assume its liabilities; surrender to Telluride for cancellation the outstanding common and preferred shares of the subsidiary and cancel an outstanding note of the subsidiary in the amount of \$1,900,000; and make a capital contribution of \$2,100,000 to Telluride to enable it to retire \$1,165,000 of 3-3/8% series bonds due 1972 and \$850,000 of 3-5/8% series bonds due 1985.

**COMPLAINT FILED AGAINST MOSES LUBESTS.** The SEC Boston Regional Office announced January 25 (LR-2489) the filing of a court action (USDC, Boston) seeking to enjoin Moses Lubests, doing business as Investors Advisory Service, 1368 Beacon St., Brookline, Mass., from further violations of the record keeping requirements of the Investment Advisers Act of 1940.

**SECURITIES ACT REGISTRATIONS.** Effective January 28: The Hallicrafters Co. (File 2-20979); North American Aviation, Inc. (File 2-20953); The Rath Packing Co. (File 2-20952). Withdrawn January 28: Sokol Bros. Furniture Co. Inc. (File 2-19064).

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

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