

NEWS DIGEST

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

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FOR RELEASE March 20, 1961

Statistical Release No. 1740. The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended March 17, 1961, for the composite and by major industry groups compared with the preceding week and with the high and lows for 1960 - 1961 is as follows:

	1957-59 = 100		Percent Change	1960 - 1961	
	3/17/61	3/10/61		High	Low
Composite	130.4*	128.1	+1.8	130.4	107.7
Manufacturing	125.2*	122.4	+2.3	125.2	103.6
Durable Goods	129.6*	126.6	+2.4	129.6	107.7
Non-Durable Goods	121.1*	118.5	+2.2	121.1	99.5
Transportation	103.8	102.0	+1.8	108.3	87.1
Utility	157.0	156.6	+0.3	158.6	118.4
Trade, Finance & Service	147.3*	145.1	+1.5	147.3	120.5
Mining	90.3*	87.6	+3.1	90.3	67.0

*New High

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended March 16, 1961, 48 registration statements were filed, 22 became effective, 1 was withdrawn, and 365 were pending at the week end.

WESTERN GROWTH FILES FOR OFFERING AND SECONDARY. Western Growth Corporation, 636 North La Brea Ave., Los Angeles, filed a registration statement (File 2-17741) with the SEC on March 17, 1961, seeking registration of 202,107 shares of Class A common stock, of which 150,000 shares are to be offered for public sale by the company and 52,107 shares, being outstanding stock, by Cal-Factors. The new shares are to be offered for sale by the company in units consisting of 10 shares each and at \$100 per unit. The offering of the units will be made on a best efforts basis through Reese, Scheftel & Co., Inc., which will receive a \$10 per unit selling commission and up to \$57,500 for expenses. The 52,107 outstanding shares may be offered by Cal-Factors in the over-the-counter market at the current market price. The company has granted the underwriter an 18-month option on 10,000 Class A shares carrying an initial exercise price of \$10 per share and increasing to \$15 per share. Cal-Factors has sold the underwriter an additional 5,000 shares at 10¢ each.

The company was organized under Delaware law in May 1960 for the purpose of engaging in the business of investing in notes secured by deeds of trust on single-family homes, contracts of sale of such homes, developing certain property in California for one-family homes and other phases of the real estate business. According to the prospectus, it intends to concentrate in activities in deeds of trust and other phases of the real estate finance business and the sale, refinancing and otherwise turning to account its present inventory of completed dwellings and portfolio of real estate receivables. Of the net proceeds from the company's sale of new stock, \$300,000 may be used to discharge loans representing moneys borrowed to meet payments of principal and interest on loans secured by, and taxes and insurance on, the company's properties and other accrued expenses, and \$300,000 to pay part of the collateral notes which were assumed as part of the consideration for the acquisition of properties. The funds also will be used for general business purposes, including purchases of obligations secured by deeds of trust and mortgages and such other financing transactions, including factoring, as opportunities present from time to time.

In addition to certain indebtedness, the company has outstanding 57,107 shares of Class A common stock and 430,702 shares of Class B common stock (divided into three series). Cal-Factors owns the 57,107 Class A shares and proposes to sell such stock. Sydney Becker, Inc., H.D.D. Corporation and Louis Horwitz, a vice president, own 86,082, 90,700 and 45,000 Class B shares respectively. Sydney Becker, president, and David Belinkoff, secretary and treasurer, each own 47½% of Sydney Becker, Inc. and 16-2/3% of Cal-Factors (other management officials owning 41-2/3%). The Class B stock is convertible share for share into Class A stock. According to the prospectus, the company in June 1960 acquired all the assets of a partnership in which certain of its promoters and management officials had an interest. The assets consisted of 200 acres of real property in San Diego county, options to purchase an additional 921 acres contiguous thereto, and certain other real estate development. 42 acres of such property were then under improvement on which seven model houses had been completed. In the acquisition, the company assumed some \$777,000 of obligations of the sellers and took the properties subject to additional obligations of \$1,440,525. Subsequently, the company contracted with James A. Bower and his wife, builders and developers of residential homes, for the acquisition of certain assets, which were subject to trust deeds aggregating \$10,040,955, for a contract purchase price of \$16,340,000 payable \$400,000 in cash and the balance by assuming or taking subject to obligations of the Bowers and certain companies. The transaction took the form of the transfer by the Bowers to the company of 14½ acres of property in Escondido, together with their unsecured promissory note for \$300,000, and the stock of 53 companies whose properties were taken over by the present company. As a result, the company

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also acquired 161 single family houses ready for occupancy plus 68 houses in various stages of completion (now completed); also 795 contracts of sale on houses previously built and sold in the aggregate unpaid balance of \$15,177,744; 362 promissory notes of \$1,476,769; and 63 rental houses. The prospectus further indicates that, if all the units the subject of this offering are sold, present stockholders will own about 71.7% of the voting power and interest on liquidation, at a cost of \$746,072 and the public will have about 28.3% for a cash investment of \$1,500,000.

D. C. HEATH & CO. FILES FOR OFFERING AND SECONDARY. D. C. Heath and Company, 285 Columbus Avenue, Boston, filed a registration statement (File 2-17742) with the SEC on March 17, 1961, seeking registration of 240,000 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 190,000 shares, being outstanding stock, by the present holders thereof. The offering will be made on an all or none basis through underwriters headed by Kidder, Peabody & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company publishes textbooks and related educational materials for elementary schools, high schools and colleges. The company and Louis deRochemont Associates, Inc. each owns a 50% interest in Heath de Rochemont Corporation which was organized in 1961 by the company and Associates for the purposes of developing, promoting and distributing new educational media devices, including motion pictures, film strips, educational television programs, teaching machines and other educational materials making use of recent technological advances. Of the net proceeds from the company's sale of additional stock, \$330,000 will be used to meet anticipated working capital requirements of the new company, and the balance will be added to working capital.

The company has outstanding 1,113,040 shares of common stock, of which John S. Smyth, president, owns 60,000 shares and holds 136,000 shares as a trustee for members of the Smyth family; and Hollis W. Plimpton, a director, owns 12,040 shares and holds 234,560 shares as trustee for members of his family. Management officials as a group own full or partial interests in 62.2% of the outstanding stock. The prospectus lists 89 selling stockholders. Smyth proposes to sell 14,000 shares of his personal holdings and 25,600 trust shares. Plimpton proposes to sell 10,000 shares of his personal holdings and 19,593 trust shares.

ELECTRONIC ASSISTANCE FILES FOR OFFERING AND SECONDARY. Electronic Assistance Corp., 20 Bridge Ave., Red Bank, N. J., filed a registration statement (File 2-17744) with the SEC on March 17, 1961, seeking registration of 110,000 shares of common stock, of which 60,000 shares are to be offered for public sale by the company and 50,000 shares, being outstanding stock, by Robert Edwards, president and principal stockholder. The offering is to be made through underwriters headed by Hayden, Stone & Co., at prices related to the then current market price of outstanding shares on the American Stock Exchange; and the underwriting terms are to be supplied by amendment.

The company was organized in June 1958. In August 1958 it acquired a majority of the physical assets of the Electronics Division of Mack Trucks, Inc. located in Plainfield, N. J. These assets included production and other equipment, as well as all of Mack's interest in a patent application which was subsequently granted (titled "Apparatus for Foaming Beer"). In consideration for the transfer of such assets the company paid Mack \$32,585 and agreed to pay a 5% royalty, but not in excess of \$70,000 on sales of ultrasonic generators and transducers covered by the said patent. Its office and factory are located at the Bridge Avenue address in Red Bank; and it also maintains an engineering and development department in Dexter, Mich. The company is principally engaged in the design, engineering, manufacturing and sale of radar altimeters, communications equipment and test equipment. It also manufactures airborne phase changing networks and airport traffic control equipment (about 95% of the sales of which products are made to Government agencies). In addition, the company manufactures and sells ultrasonic air eliminators whose principal application has been in the brewing industry; and it has recently developed a modification of this apparatus for use in soft drink bottling lines. Of the net proceeds of its sale of additional stock, the company expects to use about \$300,000 for capital investment and initial working capital of a proposed, 75%-owned company which will act as sales agent for the company's products in Europe, and about \$300,000 for expansion of the company's equipment and staff in the Dexter research department. The additional funds also will be used for financing additional inventories and for sales promotion of the ultra-sonic air eliminators for soft drink bottling lines and its ultrasonic cleaning tanks, as well as for the development of prototypes of an electronic parimutual betting system.

The company now has outstanding 591,278 shares of common stock, of which Edwards owns 210,000 shares and proposes to sell 50,000 shares. According to the prospectus, Edwards purchased all of the initial issue of 200 common shares for \$10,000 when the company was organized, which stock converted into 300,000 shares as a result of two later stock splits. He also loaned \$50,000 to the company upon its organization, of which \$10,000 was repaid and the balance was used in payment for a like amount of preferred stock, redeemed in 1960.

ADRS FOR TESCO STORES FILED. Morgan Guaranty Trust Company of New York filed a registration statement (File 2-17745) with the SEC on March 16, 1961, seeking registration of American Depositary Receipts for 80,000 Ordinary Registered Shares of Tesco Stores (Holdings), Limited, of England.

AIRWORK PROPOSES DEBENTURE OFFERING. Airwork Corporation, Millville, New Jersey, filed a registration statement (File 2-17746) with the SEC on March 17, 1961, seeking registration of \$1,500,000 of 6% subordinated debentures due May 1, 1976 and ten year warrants to purchase 125,000 shares of common stock. The securities are for public sale in units consisting of \$1,000 principal amount of debentures with an attached warrant to purchase common shares (amount and price to be supplied by amendment). Auchincloss, Parker & Redpath heads the list of underwriters. The public offering price of the units and the underwriting terms are to be supplied by amendment.

The company is engaged in the overhaul of piston and prop-jet aircraft engines, instruments and accessories, and the sale of aircraft engines, instruments, electronic equipment, accessories, parts and supplies. It also assembles and sells electrical connectors used in the missile, electronic equipment and aircraft.

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Part of the net proceeds from the sale of the units will be used to pay demand bank loans of \$400,000, the proceeds of which have been used to finance increased inventory and receivables, and the balance will be added to working capital. Additional working capital is said to be needed for new facilities, primarily for prop-jet engine overhaul.

In addition to certain indebtedness, the company has outstanding 763,898 shares of common stock, of which Francis L. Hine, president, Paul D. Meyers, a vice president, and David Dow, Jr., a director, own 14.5%, 10.1% and 10%, respectively, and management officials as a group 65.1%. Josiah V. Thompson II is listed as board chairman.

MACK TRUCKS PROPOSES DEBENTURE OFFERING. Mack Trucks, Inc., 1000 South Second Street, Plainfield, N.J., filed a registration statement (File 2-17747) with the SEC on March 17, 1961, seeking registration of \$20,000,000 of subordinated debentures due 1981 (with attached warrants to purchase common stock), to be offered for public sale on an all or none basis through underwriters headed by Eastman Dillon, Union Securities & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is a producer of heavy trucks. The net proceeds from the sale of debentures will be used to redeem all of the company's 5½% subordinated debentures due 1968, of which \$13,198,000 principal amount are outstanding, at a redemption price of 104½% of the principal amount thereof plus accrued interest. The balance of such proceeds, together with the net proceeds from the sale by the company to institutional lenders of \$40,000,000 principal amount of its 5 3/8% Senior Notes due 1976, will be utilized to retire short-term bank loans which as of February 28, 1961 were \$5,550,000 and to defray the balance of the cost of constructing and equipping the company's new plant at Hagerstown, Md. Any balance, together with proceeds from the exercise of the warrants, will be used to provide additional working capital and for general corporate purposes.

In addition to various indebtedness and preferred stock, the company has outstanding 2,751,720 shares of common stock, of which management officials as a group own 5.9%. C. A. Johnson is listed as board chairman.

GROLIER FILES FOR OFFERING AND SECONDARY. Grolier Incorporated, 575 Lexington Ave., New York, filed a registration statement (File 2-17748) with the SEC on March 17, 1961, seeking registration of 120,000 shares of common stock, of which 60,000 shares are to be offered for public sale by the company and 60,000 shares, being outstanding stock, by the present holders thereof. Dominick & Dominick heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company is engaged principally in the publication and distribution of encyclopedias and reference works sold in various combinations directly to purchasers by door-to-door sales representatives. Other activities include mail order divisions, a publishing division specializing in juvenile books, and the recently initiated retail distribution of teaching machines and related programs. The net proceeds from the company's sale of additional stock will be used for working capital purposes, primarily the financing of instalment sales contracts receivable, and for other corporate purposes including new publications and editorial revision. Initially such proceeds may be applied in part to the temporary reduction of bank borrowings.

In addition to certain indebtedness and preferred stock, the company has outstanding 650,262 shares of Class B common stock and 1,570,081 shares of common stock. Fred P. Murphy, board chairman, owns 632,347 Class B shares and 10,000 common shares. He proposes to sell 50,000 common shares (after giving effect to the conversion of 40,000 Class B shares). Prospect Enterprises, Inc. owns 93,700 common shares and proposes to sell 10,000 shares. Members of Murphy's immediate family own 90,335 common shares and 10,875 Class B shares and Prospect Enterprises and other companies controlled by Murphy and his family and foundations of which these persons are directors, own 163,600 common shares and 6,000 Class B shares. By reason of the foregoing, Murphy and his family control 41.13% of the outstanding shares of the company and, after the sale of the shares being offered, will own 37.41%. Edward J. McCabe, Jr. is listed as president.

CERTAIN-TEED PRODUCTS FILES STOCK PLAN. Certain-Teed Products Corporation, 120 East Lancaster Ave., Ardmore, Pa., filed a registration statement (File 2-17749) with the SEC on March 17, 1961, seeking registration of 119,800 shares of common stock, including 50,000 shares issuable under its 1960 Incentive Plan for Officers and Key Employees and 69,800 issued (but not resold) or issuable under its 1957 Plan.

MINNEAPOLIS-HONEYWELL REGULATOR FILES FINANCING PLAN. Minneapolis-Honeywell Regulator Company, 2747 Fourth Avenue South, Minneapolis, Minn., filed a registration statement (File 2-17750) with the SEC on March 17, 1961, seeking registration of Twenty-Five Year Sinking Fund Debentures due 1986 and 250,000 shares of Convertible Preference Stock (Cumulative), \$100 par value, to be offered for public sale through underwriters headed by Eastman Dillon, Union Securities & Co. The interest rate on the debentures, dividend rate on the preferred stock, and the public offering price and underwriting terms for both issues are to be supplied by amendment.

The company manufactures many thousands of different electronic, electrical and pneumatic types and models of products having numerous applications. Its controls are used in a variety of fields, ranging from residential, commercial and industrial heating, air conditioning, ventilation and air cleaning to process controls and control systems in almost all major industries and special control products for military applications. The company also manufactures large and medium scale electronic data processing systems. The net proceeds of this financing will be added to working capital and, in part, applied to pay outstanding short term notes payable which were issued to provide cash requirements resulting from the expansion of the company's business and activities. The purpose of this financing is said to be to provide additional long term capital for the company's expanded business, including particularly its activity in the electronic data processing field.

In addition to indebtedness, the company has outstanding 7,012,128 shares of common stock of which management officials as a group own 4.3%. Harold W. Sweatt is listed as board chairman and Paul B. Wishart as president.

HALOID ZEREX PROPOSES RIGHTS OFFERING OF DEBENTURES. Haloid Zerox Inc., 6 Haloid St., Rochester, N. Y., filed a registration statement (File 2-17751) with the SEC on March 17, 1961, seeking registration of \$15,200,000 of Convertible Subordinated Debentures due 1981. The company proposes to offer the debentures for subscription by its common stockholders of record April 20, 1961, in the ratio of \$100 principal amount of debentures for each 25 common shares then held. The interest rate, subscription price and underwriting terms are to be supplied by amendment. The First Boston Corporation heads the list of underwriters.

The company is engaged in the manufacture and marketing of products for zero-graphic and photocopy reproduction and for photographic use. Net proceeds of the sale of the debentures will be used to repay short-term bank indebtedness and to redeem all outstanding shares of its 5½% Series, cumulative preferred stock (18,800 shares, \$100 par). The bank indebtedness, amounting to \$11,600,000, was incurred to replenish working capital which had been reduced primarily by expenditures incurred in connection with the company's investment in XeroX Office Copiers leased to customers. The aggregate redemption price of the preferred amounts to \$1,983,400. Any balance of such net proceeds will be added to the general funds of the company to provide additional working capital.

In addition to indebtedness and preferred stock, the company now has outstanding 3,773,410 shares of common stock, of which management officials own about 5.3%. The prospectus lists John B. Hartnett as Honorary Chairman, Harold S. Kuhns as Chairman, and Joseph C. Wilson as President and General Manager.

GATEWAY SPORTING GOODS FILES FOR OFFERING. Gateway Sporting Goods Company, 1321 Main Street, Kansas City, Mo., today filed a registration statement (File 2-17753) with the SEC seeking registration of 50,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Stern Brothers & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company was organized under Delaware law in May 1960 to acquire, pursuant to a Plan of Reorganization, all of the outstanding capital stock of 17 affiliated companies which comprised a business originally founded in 1918 by Louis A. Cumonow, president and board chairman. The company is principally a retail organization specializing in sporting goods, photographic equipment, toys, wheel goods, luggage and related recreational lines. It operates a chain of eight retail stores, licensed departments in eight closed-door membership department stores, one open-door discount store, a retail catalog mail order division, a school division and a wholesale division. The net proceeds from the stock sale will be used to finance the company's expansion program which is expected to require an investment of about \$1,150,000 during the next 12 months. This includes plans to operate eleven licensed departments in three new closed-door membership department stores to be located in the vicinities of Boston, Omaha and Albany, which stores are now scheduled for openings in July, August and September 1961.

In addition to certain indebtedness, the company has outstanding 69,575 shares of common stock and 120,000 shares of Class B common stock, of which latter Cumonow owns 26.8%, Dorothy Cumonow, 24.8%, Edward Cumonow, a vice president, 25%, and management officials as a group 93%. Less than 1% of the common stock is owned by management officials.

JOHN DEERE CREDIT PROPOSES DEBENTURE OFFERING. John Deere Credit Company, 1325 Third Ave., Moline, Ill., today filed a registration statement (File 2-17755) with the SEC seeking registration of \$25,000,000 of Debentures Series B due 1981, to be offered for public sale through underwriters headed by Harriman Ripley & Co., Inc. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company's principal business is the purchase of retail installment paper from the fourteen United States sales branches operated by subsidiaries of Deere & Company (farm equipment manufacturer). The latter owns all its outstanding common stock. Net proceeds of the sale of the debentures will be added to the general funds of the company and will be available for purchases of such paper. The company expects to apply such proceeds initially to the reduction of short-term borrowings, but will incur additional indebtedness in its future operations.

In addition to certain indebtedness, the company has outstanding 2,500 shares of common stock, all held by Deere & Co. The prospectus lists William A. Hewitt as president.

MICROWAVE ASSOCIATES FILES STOCK PLAN. Microwave Associates, Inc., South Street, Burlington, Mass., today filed a registration statement (File 2-17757) with the SEC seeking registration of 130,000 shares of common stock, which have been or will be issued upon the exercise of options which have been or will be granted to the company's employees and officers pursuant to its Officer and Key Employee Stock Option Plan.

CLARK EQUIPMENT FILES STOCK PLAN. Clark Equipment Company, Buchanan, Mich., today filed a registration statement (File 2-17758) with the SEC seeking registration of 240,000 shares of common stock, which are reserved for issuance under and pursuant to the company's 1961 Incentive Stock Option Plan.

SECURITIES ACT REGISTRATIONS. Effective March 20: Bristol Dynamics, Inc. (File 2-17573). Withdrawn March 15: Leonard Wier Corp. (File 2-16888).

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