

# 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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**AEROJET-GENERAL PROPOSES DEBENTURE OFFERING.** Aerojet-General Corporation, 1100 West Hollyvale St., Azusa, Calif., filed a registration statement (File 2-17944) with the SEC on April 11, 1961, seeking registration of \$15,000,000 of Sinking Fund Debentures due 1981, to be offered for public sale through underwriters headed by Kidder, Peabody & Co. The interest rate, public offering price and underwriting terms will be supplied by amendment.

The company is engaged in the research, development and manufacture of rocket engines for military and space exploration purposes. It also conducts chemical research and development programs relating to new propellants, and designs, develops and produces detection and guidance equipment based upon infrared radiation, an advanced torpedo system for the Navy and other underwater and anti-submarine warfare devices, and other ordnance products. The company and a subsidiary are developing a portable gas cooled nuclear power system for the Atomic Energy Commission and small nuclear power plants for use in space vehicles for the Air Force and the National Aeronautics and Space Administration. Another subsidiary is active in communications and data transmission, advanced telemetry sciences, guidance and control and other equipment; a division engages in studies and production of package sorting and handling equipment; and the company operates a facilities engineering service for the design and construction of missile test facilities. Net proceeds of the sale of the debentures will be used in part (\$6,000,000) to repay short-term indebtedness owed to The General Tire and Rubber Company, parent; and the balance will be applied to the repayment of short-term bank loans. Such indebtedness and bank loans were incurred to finance capital additions and increased working capital requirements.

In addition to indebtedness, and preferred stock, the company has outstanding 4,581,501 shares of common stock. General Tire owns 3,842,005 common shares, being 83.6% of the voting power of the company's outstanding stock.

**JACKSON NATIONAL LIFE PROPOSES STOCK OFFERING.** Jackson National Life Insurance Company, 245 W. Michigan Ave., Jackson, Mich., filed a registration statement (File 2-17948) with the SEC on April 11th seeking registration of 300,000 shares of Class A common stock, to be offered for public sale at \$4 per share. Apex Investment Company, of Detroit, proposes to "use its best efforts" to sell not less than 150,000 of the 300,000 shares; and, if successful, it will receive a selling commission of 60¢ per share. Apex has subscribed for 200,000 Class B shares and, in addition, will receive an option to purchase 90,000 Class A shares. Apex was organized in December 1960 for the principal purpose of organizing the insurance company, investing in the same, and acting as underwriter for the public offering of its Class A stock. In payment for the subscription to the Class B stock and the option, Apex has or will deposit \$200,000 with The National Bank of Jackson in an escrow account. The 200,000 Class B shares will constitute all of such class of stock to be outstanding after offering of Class A stock.

The offering is said to constitute a plan to provide capital to complete the organization of the new insurance company and to furnish the company with working capital for its initial years of operation. Application has been made to the Commissioner of Insurance of the State of Michigan for its incorporation as a legal reserve non-assessable stock life insurance company. It is anticipated that the company will be granted a certificate of authority to commence business upon the sale of at least 150,000 Class A shares. Proceeds of the stock sale in excess of the paid-in capital necessary to obtain the certificate have not been allocated to any specific purpose and will provide the company with working capital for its initial years of operation as a life insurance company.

The prospectus lists A. J. Pasant as president; John J. Collins as vice president and secretary, and Solomon A. Weisgal as treasurer. They and fourteen others will serve as directors. Pasant has a 33.33% interest in Apex.

**AMERICAN BROADCASTING-PARAMOUNT THEATRES FILES STOCK PLANS AND FOR SECONDARY.** American Broadcasting - Paramount Theatres, Inc., 7 West 66th Street, New York, filed a registration statement (File 2-17951) with the SEC on April 12th seeking registration of (1) 368,165 shares of common stock, to be offered to certain officers and key employees pursuant to the company's 1950 and 1959 Restricted Stock Option Plans, and (2) 140,000 outstanding shares of common stock, to be offered for public sale by the trustees of the Edward John Noble Foundation through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith and Cyrus J. Lawrence & Sons. The public offering price and underwriting terms are to be supplied by amendment.

The company's principal activities are television and radio broadcasting, carried on generally through its American Broadcasting Company Division, and motion picture theatre operations, conducted by subsidiaries. It has expended its business into certain other fields, including phonograph records and publishing. In addition to certain indebtedness and preferred stock, the company has outstanding 4,226,536 shares of common stock, of which no person owns beneficially 10% or more. After the sale of the 140,000 shares, the selling stockholder will own 204,050 shares (4.83%) of the outstanding common stock.

OVER

**DOUGHBOY INDUSTRIES FILES FOR STOCK OFFERING.** Doughboy Industries, Inc., New Richmond, Wisc., filed a registration statement (File 2-17952) with the SEC on April 12th seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by Kalman & Company, Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company and its subsidiaries are engaged in several diverse businesses, principally the manufacture and sale of formula feeds for livestock and poultry, the manufacture and sale of semolina and durum flour for use in the manufacture of spaghetti, macaroni and noodles, the manufacture and sale of plastic swimming pools, wading pools and inflatable plastic toys and the manufacture and sale of machinery for heat sealing and labeling containers or packages made from plastic or synthetic sheeting and related equipment. It also conducts a grain brokerage business and a printing business and, through a subsidiary, engages in the business of processing and selling poultry raised by the company's feed customers and others. The net proceeds from the stock sale will add to working capital, by the retirement of bank loans.

In addition to certain indebtedness, preferred stock and 60,000 shares of Class A stock, the company has outstanding 134,175 shares of common stock, of which Edwin J. Cashman, president, and Mary McNally Cashman, his wife and a company director, own 11% and 24% respectively.

**MARRUD FILES FOR STOCK OFFERING AND SECONDARY.** Marrud, Inc., 189 Dean Street, Norwood, Mass., filed a registration statement (File 2-17956) with the SEC on April 12th seeking registration of 194,750 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 94,750 shares, being outstanding stock, by the present holders thereof. The offering will be made on an all or none basis through underwriters headed by McDonnell & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is a wholesale distributor of a wide variety of cosmetics, beauty aids, health aids and other inexpensive products of types often purchased "on impulse" by the consumer. Sales are made primarily to 11 wholly-owned subsidiaries, each of which sells at retail through one or more concessions or units operated under license in relatively large and diversified discount type department stores. As of March 1961, the company operated 70 units located in 21 states and plans to open an additional 33 units during 1961. The net proceeds from the company's sale of additional stock will be used to pay a bank loan outstanding in the amount of \$500,000 and to provide working capital required by the company's expansion program. The proceeds from the bank loan were also used in connection with such program.

In addition to the loan, the company has outstanding 400,000 shares of common stock, of which J. E. Margolis, president, and Harold Rudnick, treasurer, own 142,878 shares (35.7%) each and propose to sell 27,878 shares each, and Esther G. Margolis, and Beatrice Rudnick own 31,872 shares (8%) each and propose to sell 19,372 shares each.

**HYCON MFG. OPTION SHARES IN REGISTRATION.** Hycon Mfg. Company, 700 Royal Oaks Drive, Monrovia, Calif., filed a registration statement (File 2-17954) with the SEC on April 12th seeking registration of 325,000 shares of common stock. Of this stock, 300,000 shares are reserved for issuance or were heretofore issued pursuant to stock options; and the remaining 25,000 shares were acquired by the Gardner Corporation from L. D. Roberts on September 15, 1960, for \$57,500; and 2,500 shares were resold to Miss R. Frances Taylor, assistant secretary. Trevor Gardner, president and board chairman, and members of his family own all the stock of Gardner Corporation. Options for 275,000 shares are now outstanding, exercisable at \$2.85 per share (except as to 6,000 shares which are exercisable at \$4 per share). The prospectus states that the shares being registered may be offered for public sale from time to time on the American Stock Exchange by the persons to whom the stock has been or may be issued, at prices prevailing on the Exchange at the time of offering. The company intends to apply the net proceeds of shares issued upon the exercise of options to its general funds.

The company is engaged principally in the design, development, manufacture and sale of aerial cameras and photogrammetric instruments, electronic test equipment and communications equipment. Substantially all its sales are made at present to various agencies of the Federal Government, including the Air Force, the Army and the Navy, or to companies engaged in work for such agencies. The prospectus further states that the January 31, 1961, book value of outstanding shares was \$.491 per share and the company had an accumulated deficit of \$3,759,560 at that date. No dividends have been paid on the common stock. Seven cumulative dividends on the company's preferred stock are now unpaid and in arrears in the total amount of \$37,414. The company reported losses during the fiscal year ended January 31, 1957 of \$3,988,433 (before a tax carry-back credit of \$606,096) and during the fiscal year ended January 31, 1958 of \$1,163,588 for a total loss of \$5,152,021. The prospectus further states that, while the company has shown a profit since February 1, 1958, its profit margin remained low in the immediately following years since it was engaged in eliminating those subsidiaries which were operating at a loss and in completing its unprofitable contracts. During this period the company's new defense business was affected by a general cut-back in defense contracts and by the fact that the balance sheet of the company during part of this period precluded it from qualifying for certain major defense contracts. In more recent years profit margins, sales volume and backlog of undelivered business are said to have shown improvement. Earnings per share for the year ended January 31, 1961, amount to \$0.03 per share.

**KRYSTINEL FILES FOR STOCK OFFERING.** Krystinel Corporation, P. O. Box 6, Fox Island Road, Port Chester, New York, filed a registration statement (File 2-17955) with the SEC on April 12th seeking registration of 90,000 shares of Class A stock, to be offered for public sale at \$2.50 per share. The offering will be made on an all or none basis through Ross, Lyon & Co., Inc. and Schrijver & Co., which will receive a 25¢ per share commission. The registration statement also includes (1) 25,000 Class A shares which underlie warrants and 20,000 Class A shares which underlie \$50,000 of 2% convertible notes (to be converted on the effective date of the prospectus), which warrants and notes were sold to the underwriters for an aggregate of \$50,250,

(2) 5,000 Class A shares which underlie warrants and 10,000 Class A shares which underlie \$25,000 of convertible notes (to be converted on the effective date of the prospectus), which warrants and notes were sold to Alar Small Business Investment Corp. and Small Business Capital Corp. for \$25,050, and (3) 9,500 Class A shares which underlie warrants issued to Freeman Koo, W. Mark Frazier, Benjamin C. Weinstein and Edward Willey for services rendered as finders and financial advisers. The warrants are exercisable at \$2.50 per share.

The company produces ferrites, which are ceramic-like materials with magnetic properties, and conducts a research and development program for ferrite products. Of the \$176,500 net proceeds from the stock sale, \$55,000 will be used to pay a bank loan, \$35,000 for research and development, \$25,000 for new equipment and \$61,500 for working capital and other corporate purposes. Funds received from the exercise of the warrants will be used for general corporate purposes.

In addition to certain indebtedness, warrants and options, the company has outstanding 80,000 shares of Class B common stock, of which Samuel Schwartz, president, owns 29,685 shares, Samuel H. Bassow, treasurer, 38,268 shares, and Trak Electronics Co. 8,047 shares.

INTERNATIONAL UTILITIES EXEMPTED. The SEC has issued an order under the Holding Company Act (Release 35-14407) modifying its December 1960 order exempting International Utilities Corporation (Toronto) and its subsidiaries from provisions of the Holding Company Act, so as to extend such exemption to certain additional direct and indirect subsidiaries subsequently acquired.

TELECTRO INDUSTRIES TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act (Release 34-6526) suspending trading in the common stock of Telectro Industries Corp., on the American Stock Exchange and the over-the-counter market, for a further ten-day period April 14 to 23, 1961, inclusive.

ABRAHAM ROSEN APPREHENDED. The SEC Boston Regional Office announced April 11th (LR-1977) that Abraham Rosen, who formerly conducted a securities business in Boston under the name Al Rosen & Co. has been apprehended by the Royal Canadian Mounted Police in Montreal. An April 1959 indictment charged Rosen with violations of the anti-fraud provisions of the Federal Securities Laws in the conduct of his securities business.

SECURITIES ACT REGISTRATIONS. Effective April 13: First American Investment Corp. (File 2-17180); Syntex Corporation (File 2-17442); Mansfield Industries, Inc. (File 2-17554); Pecos Land and Development Company, Inc. (File 2-17557); Bowling Corporation of America (File 2-17596); Coleman Engineering Company, Inc. (File 2-17666); Minneapolis-Honeywell Regulator Company (File 2-17750). Withdrawn April 13: The Toledo Plaza Investment Trust (File 2-17371).

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