

# 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)



Washington 25, D.C.

FOR RELEASE June 28, 1961

**ANTHONY PARELLA HEARING SCHEDULED.** At the request of Anthony Parella, 230 West 54th Street, New York, the SEC has scheduled a hearing for July 17, 1961, in its New York Regional Office on the question whether to vacate or make permanent an order of the Commission dated May 24, 1961, temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to an offering by Parella of \$125,000 of pre-formation limited partnerships in "The Whole Darn Shooting Match" Company. The May 24th order charged that Parella had failed to comply with certain terms and conditions of Regulation A.

**FEDERAL SECURITIES HEARING SCHEDULED.** The SEC has scheduled a hearing for July 31, 1961, in its Washington office in proceedings under the Securities Exchange Act of 1934 to determine whether the broker-dealer registration of Fidelity Securities Corporation, Glenburnie, Md., should be revoked. In its order of May 25, 1960, authorizing these proceedings, the Commission charged that the respondent had defrauded investors in the sale of Eshelman Mothers Corporation stock in September and October 1959.

**ADR's FOR LONDON GROCERS FILED.** Morgan Guaranty Trust Company of New York, 140 Broadway, New York, filed registration statements (Files 2-18371 and 2-18372) with the SEC on June 26th seeking registration of American Depositary Receipts for 80,000 "A" Ordinary Registered Shares and 80,000 Ordinary Registered Shares of London Grocers Limited.

**ADR's FOR LA RINASCENTE FILED.** Chemical Bank New York Trust Company, 30 Broad Street, New York, filed a registration statement (File 2-18373) with the SEC on June 26th seeking registration of American Depositary Receipts for 50,000 ordinary shares of la Rinascente (of Italy).

**GRAND UNION FILES STOCK PLAN.** The Grand Union Company, 100 Broadway, East Paterson, New Jersey, filed a registration statement (File 2-18376) with the SEC on June 27th seeking registration of 507,322 shares of common stock, to be offered pursuant to its Employees' Restricted Stock Option Plans.

**PROGRESS INDUSTRIES FILES FOR OFFERING AND SECONDARY.** Progress Industries, Inc., 400 East Progress St., Arthur, Ill., filed a registration statement (File 2-18370) with the SEC on June 26th seeking registration of 75,000 shares of common stock (with warrants), of which 55,000 shares are to be offered for public sale by the company and 20,000 shares, being outstanding stock, by the present holders thereof. The offering will be made at \$10 per share through underwriters headed by Tabor & Co., which will receive a \$1 per share commission. The registration statement also includes (1) 6,250 common shares which underlie a 4-year option granted to Tabor & Co., exercisable initially at \$10.70 per share, and (2) 18,750 common shares which underlie 5-year warrants, exercisable initially at \$10.50 per share, to be issued to purchasers of the new and outstanding shares at the rate of one warrant for each four shares purchased.

The company (formerly Progress Manufacturing Co., Inc.) and its subsidiary, Capital City Casket Company, are engaged in the business of manufacturing and selling funeral supplies and metal tanks for hauling, storing, and processing various types of liquids. Of the estimated \$484,000 net proceeds from the company's sale of additional stock, \$200,000 will be used to pay short term bank loans; \$150,000 to set up a subsidiary to finance contracts for the purchase of over-the-road transports manufactured and sold by the company; \$70,000 for certain plant improvements; and the balance for working capital and general corporate purposes.

In addition to certain indebtedness and preferred stock, the company has outstanding 109,312 shares of common stock, of which the estate of Arthur Martin owns 13.36%, Progress Stock Bonus and Retirement Plan 16.24%, and management officials as a group 20.04%. The prospectus lists 10 selling stockholders who propose to sell amounts ranging from 1,332 to 3,000 shares, including Everett Fitzjarrald, president, who proposes to sell 1,340 of 5,780 shares owned. Joseph Fitzjarrald is listed as board chairman.

**MOBILE ESTATES FILES FOR STOCK OFFERING.** Mobile Estates, Inc., 26 Dalbert Street, Carteret, N. J., filed a registration statement (File 2-18377) with the SEC on June 27th seeking registration of 140,000 shares of common stock, to be offered for public sale at \$6 per share. The offering will be made on an all or none basis by underwriters headed by Harry Odzer Company, which will receive a 75¢ per share commission plus \$26,250 for expenses. The registration statement also includes (1) 15,000 common shares which underlie 5-year warrants to be sold to the underwriters at 1¢ each, exercisable initially at \$6.60 per share, and (2) 25,000 common shares which the principal underwriter has agreed to purchase from the company at \$1 per share.

The company was organized under New Jersey law in August 1960 as High View Trailer Park, Inc. It proposes to engage in (i) the development of real property for the specific purpose of the improvement thereof into communities suitable for the renting of particular parcels to the owners of mobile (trailer) homes and (ii) the sale of mobile homes through wholly-owned sales corporations. To date the company has derived no income from any of its activities. However, it has acquired two parcels aggregating approximately 92 acres of land in New Jersey, which parcels, it is estimated, will upon the completion of the necessary improvements thereto, provide facilities for approximately 700 mobile home sites. The estimated \$689,000 net proceeds

OVER

from the stock sale will be used as follows: \$200,000 to purchase certain real property under existing contracts relating thereto; \$369,000 to construct and develop about 250 mobile home sites; and \$120,000 to form various sales agencies intended to sell mobile homes. Any proceeds not used for such purposes will be added to working capital.

The company has outstanding 200,000 shares of common stock, of which Arthur A. Rogow, president, and George R. Searle, a vice president, own 22% each; Raffio A. Giacobbe, treasurer, and Joseph R. Donato, a vice president, own 10% each; A. David Epstein, a vice president, owns 16%; and management officials as a group own 87% (current book value 59¢ per share). After the sale of new shares, the existing stockholders will have 54.8% of the voting power and a book equity of \$455,616; and the public will obtain 38.4% of the voting power and will have a book equity of \$318,932 for an investment of \$840,000.

**BYER-ROLNICK HAT FILES FOR SECONDARY.** Byer-Rolnick Hat Corporation, 601 Marion Drive, Garland, Texas, filed a registration statement (File 2-18374) with the SEC on June 27th seeking registration of 100,000 outstanding shares of common stock, to be offered for public sale on an all or none basis by underwriters headed by Dallas Rupe & Son, Inc., and Straus, Blosser and McDowell. The public offering price and underwriting terms are to be supplied by amendment. The company is engaged in the manufacture and sale of men's and boys' hats. It now has outstanding 266,410 shares of common stock, of which management officials own 45.6%. The 100,000 shares are to be sold by E. R. Byer, board chairman (all of 60,214 shares held), and by his wife, Mrs. Mabel L. Byer (39,786 of 95,617 shares held). Harry Rolnick, president, owns 41,691 shares.

**WETTERAU FOODS PROPOSES STOCK OFFERING.** Wetterau Foods, Inc., 7100 Hazelwood Ave., Hazelwood, Mo., filed a registration statement (File 2-18375) with the SEC on June 27th seeking registration of 100,000 shares of common stock, to be offered for public sale through underwriters headed by G. H. Walker & Co. Inc. The public offering price and underwriting terms are to be supplied by amendment.

The company was organized in February 1961 under Missouri law for the purpose of acquiring the outstanding stock of Wetterau Grocer Company, Inc., Nowell-Wetterau Grocer Co., Wetterau Grocer Company and Monroe Realty and Investment Co., which are engaged in a wholesale food distributing business under IGA franchises. Of the net proceeds of the stock sale, \$150,000 will be used for new equipment in a warehouse now under construction in Scott City, Mo.; and the balance will be available for working capital needs. According to the prospectus, the company recently completed an addition to its warehouse at Mexico, Mo., and it has budgeted about \$1,000,000 for the fiscal year ending March 31, 1962, to help finance new independently owned IGA retail stores which it expects to be opened in its territory during that time.

The company now has outstanding 350,000 common shares, of which president T. C. Wetterau, Sr., and his wife own 54,666 shares and vice president Oliver G. Wetterau and his wife, 40,292 shares.

**ATMOS-PAK PROPOSES STOCK OFFERING.** Atmos-Pak, Inc., 88 North Highland Ave., Ossining, New York, filed a registration statement (File 2-18378) with the SEC on June 27th seeking registration of 100,000 shares of common stock, to be offered for public sale at \$5 per share. The offering is to be made on an all or none basis by underwriters headed by Christopher & Co. Inc. and two other firms, for which they will receive a 50¢ per share selling commission plus \$15,000 for expenses. Upon completion of the offering, the company will sell to the Christopher firm and to four of its principal stockholders, three-year warrants for the purchase of 15,000 common shares at \$5 per share, of which warrants for 1,000 shares will be assigned to Daniel Rogers for his services as a finder.

Organized in 1956 under the name Air Conditioning Engineers, Inc., the company is in the business of designing, manufacturing and selling roof-mounted, air-cooled, prefabricated air conditioning systems. It now has outstanding 400,050 common shares. With the net proceeds of the sale of additional stock, estimated at \$412,500, the company proposes to repay \$150,000 of bank loans used for working capital, to use \$150,000 for reduction of accounts payable and \$50,000 for additional inventory, and use the balance for general corporate purposes.

The prospectus lists Joseph D. Chema as president and board chairman and owner of 42.3% of the outstanding stock. Management officials as a group own 87.7%.

**PHOTOGRAPHIC ASSISTANCE FILES FOR OFFERING.** Photographic Assistance Corporation, 1335 Gordon St., S.W., Atlanta, Ga., filed a registration statement (File 2-18379) with the SEC on June 27th seeking registration of 150,000 shares of common stock, to be offered for public sale at \$1 per share. The offering will be made on an all or none basis through underwriters headed by Globus, Inc. and Harold C. Shore & Co., Inc., which will receive a 12¢ per share commission and \$7,500 for expenses. The registration statement also includes 30,000 common shares and 5-year warrants for 37,500 shares (exercisable at \$1 per share) sold for an aggregate of \$30,100, as follows: 24,000 shares and 30,000 warrants to the underwriters; and 6,000 shares and 7,500 warrants to The Johnson, Lane, Space Corp., the finder. Shore & Co. will transfer 4,500 shares and 5,625 warrants to the Johnson-Lane firm.

The company (formerly Bradley & Newell, Inc.) is primarily engaged in the business of developing, printing and finishing individual and group photographs of students enrolled in schools throughout the State of Georgia and in parts of Florida. The net proceeds from the stock sale, estimated at \$108,000, will be used to expand the company's sales department, for purchase of additional equipment, for a new building or additions to the existing one, and for working capital and other purposes.

The company has outstanding (after giving effect to a recapitalization in June 1961 whereby the shares then outstanding were each changed into six new shares) 180,000 shares of common stock, of which Lawrence W. Bradley, Jr., president, owns 63.3%, Ellis Holland, Jr., vice president, 25%, and management officials as a group, 95%.

**NAC CHARGE PLAN FILES FOR STOCK OFFERING.** NAC Charge Plan & Northern Acceptance Corporation, 16 East Pleasant St., Baltimore, Md., filed a registration statement (File 2-18380) with the SEC on June 27th seeking registration of 33,334 shares of Class A common stock, to be offered for public sale through underwriters headed by Sade & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company operates (1) a retail charge account plan known as the "NAC Charge Plan", (2) a consumer finance (small loan) business, and (3) an installment contract division, all of which are conducted in the Greater Baltimore Area. The net proceeds from the stock sale will be added to the working capital of the company in order to increase the amount and number of outstanding receivables in its retail charge account plan, and its consumer finance (small loan) business. It is expected that the major portion of the proceeds will be applied to expand the NAC Charge Plan division of the company and a minor portion to expand the small loan division.

In addition to certain indebtedness, the company has outstanding (after giving effect to a 2-for-1 stock split declared in June 1961) 120,000 Class A and 420,000 Class B common shares, of which latter stock Benjamin Blank, president, and Alvin L. Morton and Raymond Blank, vice presidents, own 25% each. They also own 19.4% each of the outstanding voting securities of the company.

**THIOLKOL CHEMICAL FILES STOCK PLAN.** Thiokol Chemical Corporation, Bristol, Pa., filed a registration statement (File 2-18381) with the SEC on June 27th seeking registration of 142,649 shares of capital stock, to be offered pursuant to the Thiokol Officers' and Employees' Stock Option Plan.

**JOHN GOMBOS CO. PROPOSES STOCK OFFERING.** John Gombos Co. Inc., Clifton, N. J., filed a registration statement (File 2-18382) with the SEC on June 27th seeking registration of 40,000 shares of common stock, to be offered for public sale at \$5 per share (without underwriting). The company is engaged in the business of manufacturing electronic and microwave products used in aircraft, space vehicles, shipboard applications, missiles, ground radar systems and microwave communications. Net proceeds of the stock sale will be used principally for increased working capital. The company now has outstanding 349,957 common shares, of which 86.4% is owned by John E. Gombos, president.

**U. S. GYPSUM SHARES IN REGISTRATION.** United States Gypsum Company, 300 West Adams St., Chicago, filed a registration statement (File 2-18383) with the SEC on June 27th seeking registration of 113,640 outstanding shares of common stock. According to the prospectus, these shares are owned by the Executors of the Estate of Sewell L. Avery, deceased, and may be sold from time to time on the New York Stock Exchange or otherwise, at prices prevailing at the time of sale.

**VACU-DRY CO. PROPOSES STOCK OFFERING.** Vacu-Dry Company, 950 56th St., Oakland, Calif., filed a registration statement (File 2-18384) with the SEC on June 27th seeking registration of 400,000 shares of common stock, to be offered for public sale through underwriters headed by Wilson, Johnson & Higgins. The public offering price and underwriting terms are to be supplied by amendment.

The company's primary business is the production of low-moisture fruit and dehydrated legume vegetable products in various sizes and forms. Of the net proceeds of the stock sale, \$200,000 will be utilized as down payment on the purchase of the apple evaporating facilities of Ross Packing Company at Selah, Wash., and \$300,000 to provide working capital for a new subsidiary which will operate this plant; \$150,000 for improvements to existing plants, including additional processing, inspection and packaging facilities; \$450,000 to equip a new vacuum dehydration plant on premises to be leased at a new California location and \$220,000 to build new drying facilities adjacent to the Ross Packing plant; and the balance for working capital or reduction of short-term bank borrowings.

The company now has outstanding 43,633 Class A and 647,962 common shares, of which management officials own 36.9% and 64.1%, respectively. W. Edgar Gallwey, president, owns 7.4% of the Class A and 30.9% of the common; Frank P. Adams, 5.8% and 29.6%, respectively; and Hal M. Chase, a director, 18.3% of the Class A.

**MARKS POLARIZED CORP. PROPOSES STOCK OFFERING.** Marks Polarized Corporation, 153-16 Tenth Ave., White-stone, N. Y., filed a registration statement (File 2-17385) with the SEC on June 27th seeking registration of 95,000 shares of common stock, to be offered for public sale on an all or none basis through underwriters headed by Ross, Lyon & Co., Inc., and Globus, Inc. The public offering price and underwriting terms are to be supplied by amendment. Also included in the registration statement are (a) 30,000 additional shares to be issued to persons associated with the underwriters upon the conversion of the company's 2% convertible note in the amount of \$180,000 representing advances made from time to time in that amount; and (b) 20,000 shares underlying 3-year warrants sold to the same persons at 1¢ per optioned share and exercisable at \$6 per share.

The company is primarily a research and development organization conducting basic research in electronics, optics, electrooptics, quantum electronics, crystallography, polarization, light filters and associated chemistry for both military and commercial applications. It also develops, manufactures and sells light polarizing filters, color filters and laminated glass. In addition to certain indebtedness, it has outstanding 375,000 common shares. Net proceeds of the sale of additional stock will be applied to a program of expansion and acquisition of new facilities and for other corporate purposes. According to the prospectus, the major portion of the funds are to be used to establish a separate and enlarged production division for the manufacture of polarized sunglass lenses, prescription glasses, automobile visors, sheeting and other light polarizing devices. All of the outstanding common stock is owned in equal amounts by Alvin M. Marks, president, Carlotta Marks, vice president, and Mortimer Marks, secretary-treasurer.

**STROUSE PROPOSES DEBENTURE OFFERING.** Strouse, Inc., Basin and Cherry Streets, Norristown, Pa., filed a registration statement (File 2-18386) with the SEC on June 27th seeking registration of \$600,000 of 6% convertible subordinated debentures due 1981, to be offered for public sale at 100% of principal amount. The

offering will be made on an all or none basis by underwriters headed by H. A. Riecke & Co., which will receive a 10% commission and up to \$15,000 for expenses. The registration statement also includes 35,000 common shares which underlie 5-year warrants to be sold to the principal underwriter for \$35, exercisable at a price per share to be supplied by amendment.

The company manufactures and packages cosmetic, household, automotive, pharmaceutical and other "aerosol products" primarily for other concerns for sale by them under their brand names. It manufactures a few household products for sale by it under its own brand names, including two lines of room deodorizers and sachet sprays called "Camette" and "French Mist." Of the estimated \$505,000 net proceeds from the debenture sale, \$14,000 will be used to purchase about 7 acres of land; \$316,000 to construct a modern plant with a private railroad siding; \$75,000 to purchase additional equipment and machinery; and the balance will be added to working capital and used for general corporate purposes.

The company has outstanding 472,174 shares of common stock, of which Arthur F. Strouse, board chairman, and A. Frank Strouse, president, own 17.27% and 20.57%, respectively, and management officials as a group 38.35%.

AILEEN FILES FOR SECONDARY. Aileen, Inc., 29 West 38th Street, New York, filed a registration statement (File 2-18387) with the SEC on June 27th seeking registration of 200,000 outstanding shares of common stock, to be offered for public sale by the holders thereof through underwriters headed by Goodbody & Co. The public offering price and underwriting terms are to be supplied by amendment. The registration statement also includes 10,000 common shares which may be offered to employees pursuant to the company's Stock Option Plan.

The company is engaged in the design, manufacture and distribution of popular priced sports and casual wear coordinates for women and girls wearing "junior" and "misses" sizes. The company has outstanding 1,000,000 shares of common stock, of which Meyer Osofsky, board chairman, and Abe Oberlin, president, own 500,000 shares each and propose to sell 100,000 shares each.

SJOSTROM AUTOMATIONS FILES FOR STOCK OFFERING. Sjostrom Automations, Inc., 140 Northwest 16th Street, Boca Raton, Fla., today filed a registration statement (File 2-18390) with the SEC seeking registration of 70,000 shares of Class A common stock, to be offered for public sale at \$4 per share. The offering will be made on an all or none basis by J. I. Magaril Company, Inc., which will receive a 48¢ per share commission and \$16,900 for expenses. The registration statement also includes \$15,000 of 4% convertible subordinated debentures due March 1, 1962 (and 30,000 underlying Class A shares), of which \$11,250 principal amount thereof have been sold to the underwriter and \$3,750 principal amount to Glen K. Parker as a finder's fee. The debentures are convertible at the rate of one Class A share for each 50¢ of principal value.

The company is principally engaged in the development, manufacture and sale of electronically controlled automation devices for the textile and laundry industries. It also produces "Knotwood" metal textile feed aprons and markets "Slip-Prufe" rubber roll covering. The net proceeds from the stock sale will be used to pay all current notes, accounts, accrued overtime, accrued expenses and contracts payable, to pay long term contracts payable, to increase inventory, to purchase new equipment, and for working capital, including expansion of research, development, engineering and sales departments.

In addition to indebtedness, the company has outstanding 71,000 Class A and 33,000 Class B common shares, all of which is owned by Robert L. Sjostrom, president.

ALASKA DEVELOPMENT REFERENCE CLARIFIED. Release Nos. 6553 and 6568 under the Securities Exchange Act relate to the sale in 1959 by Harold Grill (of New York) of stock of Alaska Development Company (also known as Alaska Dakota Development Company and ADDCO) in alleged violation of the anti-fraud provisions of the Securities Act (see also SEC News Digest of 5/25/61). The said Alaska Development is not to be confused with Alaska State Development Corporation, enacted at the last session of the Alaska Legislature (Chapter 135, SLA 1961).

SECURITIES ACT REGISTRATIONS. Effective June 28: Hunt Foods and Industries, Inc. (File 2-18160); MacGregor Bowling Centers, Inc. (File 2-18068); Morris Shell Homes, Inc. (File 2-18048); Rockower Brothers, Inc. (File 2-18057); Special Metals, Inc. (File 2-18121); Transition System, Inc. (File 2-18007); Wabash Magnetics, Inc. (File 2-17867). Effective June 27: Bolt Beranek and Newman Inc. (File 2-18018); Chemical Bank New York Trust Company, ADR's of Custom Credit Corp. Ltd. (Australia) (File 2-18289); Fidelity Banker's Life Insurance Corp. (File 2-18021); Madison Fund, Inc. (File 2-18111); The Southwestern States Telephone Company (File 2-18212). Withdrawn June 26: Aladdin Oil 1961 Inc. (File 2-16901).

---ooo0ooo---