

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

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



Washington 25, D.C.

FOR RELEASE August 29, 1956

Kusan, Incorporated, Nashville, Tenn., filed a registration statement (File 2-12742) with the SEC seeking registration of 116,624 shares of its \$1 par Common Stock, to be offered for public sale through an underwriting group headed by Clark, Landstreet & Kirkpatrick, Inc. The public offering price and underwriting terms are to be supplied by amendment.

Kusan is engaged primarily in the plastic molding business, producing toys and other molded products of its own design, and component parts for other industries. A recent acquisition brought the company into the electric train business. Net proceeds of the sale of common shares, estimated at \$500,000, are to be used as follows: \$150,000 for reduction of debt; \$50,000 for new tooling and equipment; \$100,000 for working capital for its new subsidiary, Kusan-Auburn, Inc. (formerly Auburn Model Trains, Inc., of Auburn, Ind., manufacturer of electric trains); and \$200,000 for working capital for the issuer.

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United Aircraft Corporation, East Hartford, Conn., filed a registration statement (File 2-12743) with the SEC on August 28, 1956, seeking registration of 330,915 shares of Preference Stock, Series of 1956. The company proposes to offer these preference shares for subscription by holders of its common stock of record September 17, 1956, at the rate of one share of preference stock for each 16 common shares then held. The dividend rate, subscription price and underwriting terms are to be supplied by amendment. Harriman Ripley & Co., Inc. is named as the principal underwriter. Net proceeds of this financing are to be added to the general funds of the company; and they will be employed to finance increased inventories and other working capital requirements (including the repayment in whole or in part of short-term bank borrowings incurred for such purposes) and in the acquisition or construction of additional research, development and production facilities, including machine tools, in order to enable all divisions to meet the increased demand for and technological advances in the production and development of turbine engines, propellers, helicopters and other aircraft products, in which fields the company has Government contracts of a classified nature.

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Wilson & Co., Inc., Chicago, filed a registration statement (File 2-12744) with the SEC on August 28, 1956, seeking registration of \$20,000,000 of Sinking Fund Debentures, due September 1, 1976, to be offered for public sale through an underwriting group headed by Smith, Barney & Co., Glone, Forgan & Co., and Hallgarten & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The company is engaged in the meat packing, dairy and poultry and other businesses. Of the net proceeds of this financing, \$6,500,000 will be used to redeem outstanding First Mortgage Bonds, 3% Series due 1958, and \$7,500,000 to prepay term bank loans due October 1, 1960, made to finance new facilities and the expenses of discontinuing the Chicago Plant which was closed in 1955. The remainder of the proceeds, approximately \$6,000,000, will be added to the general funds of the company and used principally for modernization and expansion of plants and facilities, and possibly, for the purchase of minority stockholders' equity in subsidiaries.

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Acme Steel Company, Riverdale, Ill., today filed a registration statement (File 2-12745) with the SEC seeking registration of 400,000 shares of its \$10 par Common Stock, to be offered for public sale through an underwriting group headed by Blythe & Co., Inc., and Merrill Lynch, Pierce, Fenner & Beane. The public offering price and underwriting terms are to be supplied by amendment.

The company on July 20, 1956, entered into an agreement for the purchase of substantially all the assets of Newport Steel Corporation at a price of \$16,450,000. On July 19, 1956, the company borrowed from banks an aggregate of \$10,000,000, of which \$8,300,000 was used to repay previously outstanding long term bank loans and \$1,500,000 was used for the initial payment in connection with such purchase. Additional borrowings of \$5,000,000 in September are contemplated for a second payment. The remaining \$9,950,000 will be paid out of the proceeds of the sale of the 400,000 common shares, and the balance of the proceeds will be used to increase working capital. In order to refund the \$15,000,000 of bank borrowings, which will be due July 19, 1957, the company in the near future will be required to raise additional funds. Additional funds also will be required by the company in connection with the construction of the proposed plant and facilities in the Calumet Harbor area, approximately four miles from its Riverdale plant, expected to cost approximately \$15,000,000. The company expects to raise such funds through long term borrowings, but the exact nature, amount and timing thereof has not been determined.

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