

# 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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FOR RELEASE April 18, 1966

**THALHIMER BROS. FILES FOR OFFERING AND SECONDARY.** Thalhimer Brothers, Incorporated, 615 E. Broad St., Richmond, Va. 23219, filed a registration statement (File 2-24856) with the SEC on April 15 seeking registration of 110,000 shares of common stock. Of this stock, 100,000 shares are to be offered for public sale by the company and 10,000 shares (being outstanding stock) by the present holder thereof. The offering is to be made through underwriters headed by Kidder, Peabody & Co. Inc., 20 Exchange Pl., New York 10005. The public offering price (\$30 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company operates department stores in Virginia and North Carolina. Net proceeds of its sale of additional stock (together with proceeds of a \$2,500,000 note sale to certain institutional investors) will be applied to the payment of some \$2,000,000 of short-term bank loans and will be used for working capital and expenditures for the company's current expansion and modernization program. In addition to indebtedness and preferred stock, the company has outstanding 781,239 common shares, of which management officials own approximately 73% (including 18.19% owned by William B. Thalhimer, board chairman). The Estate of Irving May, deceased, is the selling stockholder; and it presently owns 98,810 common shares. William B. Thalhimer, Jr., is president of the company.

**EIGHT STOCK PLANS FILED.** Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

American Express Company, 65 Broadway, New York 10006 (File 2-24850) (85,555 shares)  
The Seeburg Corporation, 1500 N. Dayton St., Chicago, Ill. 60622 (File 2-24855) (211,335 shares)  
National Steel Corporation, 2800 Grant Bldg., Pittsburgh, Pa. 15219 (File 2-24857) (200,000 shares)  
Tenneco Inc., Tennessee Bldg., Houston, Tex. 77002 (File 2-24858) (121,081 shares)  
Textron Inc., 10 Dorrance St., Providence, R. I. 02903 (File 2-24859) (500,000 shares)  
Sangamo Electric Company, Eleventh St., and Converse Ave., Springfield, Ill. (File 2-24860) (60,000 shares)

Two additional stock plans were filed on Form S-1, as follows:

McGraw-Edison Company, Elgin, Ill. (File 2-24854) (429,453 shares)  
Philip Morris Incorporated, 100 Park Ave., New York 10017 (File 2-24862) (877,056 shares)

**SEC FILES REPORT ON F. L. JACOBS CO. REORGANIZATION.** The SEC has filed an advisory report on the proposed plan for the reorganization of F. L. Jacobs Company pursuant to Chapter X of the Bankruptcy Act, presently pending in the Federal Court at Detroit, Mich. The company, which was incorporated in Michigan in 1913, produces small parts for automobile manufacturers in four plants located in Michigan. The Chapter X proceeding was initiated in March 1959 by the filing of a creditors' petition shortly after the Commission had instituted a civil action under the Federal Securities Laws in Federal Court in New York City against Alexander L. Guterma and the company, and federal indictments had been returned against Guterma and his associates.

During the course of the proceeding, the Trustees appointed by the Court continued the operation of the company's business. During this time sales have risen from \$9,417,000 in fiscal year 1960 to \$27,557,000 in fiscal year 1965, and operating income increased from \$13,000 in 1960 to \$1,415,000 in 1965. The Trustees have disbursed about \$2,225,000 in payment or settlement of pre-Chapter X contingent and liquidated claims amounting to \$13,774,000. An audited balance sheet, as at July 31, 1965, shows assets of \$8,224,000 and liabilities of \$2,437,000, of which \$2,407,000 represent the current liabilities of the Trustees' operation and \$30,000 are pre-Chapter X claims. The company has outstanding 54,127 shares of 5% convertible preferred stock, \$50 par value, and 963,107 shares of common stock.

The plan proposed by the Trustees provides for the internal reorganization of the company. The company's business will be continued and the reorganized company will assume all outstanding debts and obligations incurred by the Trustees during the proceeding. Cost of administration and the \$30,000 balance of the general claims will be paid in cash. The preferred stockholders will receive new 6% debentures maturing 15 years from date of issue (August 1, 1966), in the aggregate principal amount of \$2,706,350 which is equal to the involuntary liquidation preference of their stock. Dividends arrears, which at July 31, 1965 amounted to about \$1,049,000, will be paid in cash, substantially from the proceeds of a \$1 million bank loan. Common stockholders will retain their present stock. No dividends may be paid on the common stock until one-half of the principal amount of debentures is redeemed or otherwise retired, or the \$1 million bank loan is paid in full, whichever occurs first.

The Commission's report concludes that the plan is feasible and that it is fair and equitable to preferred stockholders and to the present common stockholders to the extent that their common equity is to be represented by the presently outstanding stock. However, the Commission states in its report that the proposed restriction on common stock dividends is not fair. The Commission noted that interest charges will have adequate coverage and that there will be sufficient working capital. The proposed bank loan appears well secured and the cash to be generated in the future will be substantially in excess of the cash requirements for debt amortization and required capital expenditures. Accordingly, it appears that ample funds will be available for the payment of dividends on the common stock. The Commission stated that payment of common stock dividends should be subject to the discretion of the directors of the reorganized company and there appeared to be no justification for imposing restrictions on dividends as proposed in the plan. OVER

**ASSURANCE INVESTMENT REVOKED; INDIVIDUALS SUSPENDED.** The SEC today announced the issuance of an order under the Securities Exchange Act (Release 34-7862) revoking the broker-dealer registration of Assurance Investment Company, 1440 Sylvan St., Van Nuys, Calif., and expelling the firm from NASD membership. The order also suspended Harold M. Pelton and Paul A. Miller (partners) from association with a broker or dealer for a 12-month period, except that Miller may become so associated in a non-supervisory capacity upon an appropriate showing to the Commission that he will engage solely in the sale of mutual fund shares under adequate supervision.

The Commission found that in 1964 the firm and individual respondents violated the Securities Act registration requirements in the sale of common stock of Kramer-American Corp., and that they violated the anti-manipulation provisions of the Securities Exchange Act in that, during their distribution of the Kramer-American stock, the firm entered bids for the stock in the daily sheets published by the National Quotation Bureau, Inc., and effected purchases of such stock. It was further found that the firm, aided and abetted by the individual respondents, failed to comply with the Commission's net capital requirements and made misrepresentations in its application for broker-dealer registration concerning the date of the firm's succession to business of a predecessor company, effected securities transactions prior to registration, and failed to amend its application to disclose an injunction with respect to transactions in violation of the registration provisions of the Federal securities laws.

**ITEK CORP. PROPOSES DEBENTURE OFFERING.** Itek Corporation, 10 Maguire Rd., Lexington, Mass. 02173, filed a registration statement (File 2-24861) with the SEC on April 15 seeking registration of \$6,000,000 of convertible subordinated debentures (due 1986). The debentures are to be offered for public sale through underwriters headed by Paine, Webber, Jackson & Curtis, 24 Federal St., Boston, Mass. 02110. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the development and manufacture of equipment in the fields of aerial reconnaissance, optics, photography, and data processing. Of the net proceeds of its debenture sale (together with \$2,010,000 from the sale of 60,000 shares of its common stock to Time Inc. in 1965), the company will use \$2,818,000 to prepay promissory notes. The balance will be used to construct and equip its new Optical Fabrication and Test Facility in Lexington, Mass., estimated at \$3,500,000, and for working capital. In addition to indebtedness, the company has outstanding 1,497,984 common shares. Franklin A. Lindsay is president.

**PINAL COUNTY DEVELOPMENT TRADING BAN CONTINUED.** The SEC has issued an order suspending over-the-counter trading in bonds of Pinal County Development Association for a further ten-day period, April 19-28, 1966, inclusive.

**CONTINENTAL OIL INTERNATIONAL SEEKS ORDER.** Continental Oil International Finance Corporation, New York subsidiary of Continental Oil Co., has applied to the SEC for an order under the Investment Company Act exempting it from all provisions of the Act; and the Commission has issued an order (Release IC-4570) giving interested persons until April 29 to request a hearing thereon. According to the application, the subsidiary was recently organized to provide assistance in improving the balance of payments position of the United States, in compliance with the voluntary cooperation program instituted by President Johnson in February 1965, while at the same time continuing the expansion and development of operations of the parent company outside the United States. The subsidiary intends to issue and sell an aggregate of \$20,000,000 principal amount of its guaranteed notes (due 1971) under conditions which are intended to assure that the notes will not be sold to nationals or residents of the United States. The notes are to be guaranteed as to principal and interest by the parent company. It is intended that at least 70% of the assets of the subsidiary will be invested in or loaned to foreign affiliates of the parent company which are primarily engaged in a business other than investing, reinvesting, owning, holding, or trading in securities. The parent company is engaged in exploration for and development and production of crude oil and natural gas, refining of petroleum and processing of petrochemicals, and other oil and gas activities.

**WEYERHAEUSER PROPOSES DEBENTURE OFFERING.** Weyerhaeuser Company, Tacoma Bldg., Tacoma, Wash. 98401, filed a registration statement (File 2-24865) with the SEC on April 15 seeking registration of \$150,000,000 of sinking fund debentures (due 1991). The debentures are to be offered for public sale through underwriters headed by Morgan Stanley & Co., 2 Wall St., New York. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

The company is engaged principally in the growing and harvesting of timber and in the manufacture, distribution and sale of forest products. Net proceeds of its debenture sale will be added to general funds and used for general corporate purposes, including property additions and improvements. The company expects that capital expenditures for both 1966 and 1967 will be somewhat higher than in 1965, which amounted to \$122,000,000. In addition to indebtedness, the company has outstanding 31,000,000 common shares. Norton Clapp is board chairman and George H. Weyerhaeuser is president.

**O/C REGISTRATIONS REPORTED.** The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "\*\*\*"):

File No.	O-Registrant	Location
2060	Canoga Electronics Corp *	Chatsworth, Calif.
2059	Capital Corp of Texas*	Houston, Tex.
2061	DPA Inc *	Dallas, Texas
2064	Federal Real Estate Trust *	Fort Wayne, Ind.
2063	Kliklok Corp *	New York, N.Y.
2062	National Home Products Inc *	Bridgeport, Conn.

**RECENT FORM 8-K FILINGS.** The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified in parentheses. Photocopies thereof may be purchased from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with the requested material when mailed. An index of the caption of the several items of the form was included in the April 5 News Digest.

Eagle-Picher Industries, Inc. Mar 66 (11,13)	1-1499-2	Eversharp Inc. Mar 66 (12,13)	1-1140-2
General Baking Co. Mar 66, (13)	1-1066-2	Rollins, Inc. Mar 66 (7,12,13)	1-4422-2
Lamson & Sessions Co. Mar 66 (11)	1-313-2	Lee National Corp. Mar 66 (12)	1-344-2
Life and Casualty Ins. Co. of Tenn. Mar 66 (11,12)	2-21169-2	Universal Container Corp. Mar 66 (4,13)	1-4277-2
Central Illinois Light Co. Mar 66 (11)	1-2732-2	West Chemical Products, Inc. Mar 66 (4,11,13)	1-4191-2
National Co., Inc. Mar 66 (11)	1-4369-2	Atlantic City Electric Co. Mar 66 (12,13)	1-3559-2
Pennsylvania Power Co. Mar 66 (11)	1-3491-2	Central Steel and Wire Co. Feb 66 (11)	2-3046-2
Pittsburgh Forgings Co. Mar 66 (11,13)	1-1662-2	Crystal Tissue Co. Mar 66 (11,13)	1-1017-2
L. E. Carpenter & Co. Mar 66 (7,13)	1-4943-2	Phoenix Steel Corp. Mar 66 (12)	1-2908-2
Eastern Can Co. Inc. Mar 66, (12,13)	1-4460-2	IRC, Inc. Mar 66 (7,13)	1-3768-2
Esquire Radio & Electronics, Inc. Mar 66, (12)	1-4408-2	Bayly Mfg. Co. And to 8K for Jan 66 (11,13)	2-23019-2
Studebaker Corp. Feb 66 (4,13)	1-1045-2	Clear Creek Corp, Mar 66 (6)	0-1379-2
Atico Financial Corp. Mar 66 (13)	1-4666-2	NBCI Corp, Feb 66 (12,13)	0-906-2
Electronic Communications Inc. Dec 65 (1)	1-3029-2	The Winter Park Tel Co., Mar 66, (7,13)	0-1254-2
Gamble Skogmo, Inc. Mar 66 (12)	1-3478-2	Dynatronics Inc., Mar 66, (2,11,13)	0-1548-2
Ingersoll Rand Co. Mar 66 (11,13)	1-985-2	Club Aluminum Products, Inc Mar 66, (11,13)	1-1700-2
Markite Corp. Mar 66 (13)	2-19201-2	Newport Electric Corp Mar 66, (11,13)	0-471-2
Cotter & Co. Mar 66 (11,13)	2-20910-2	Fitchburg Gas & Elec Light Co Mar 66, (11,13)	0-1038-2
Bloomfield Bldg. Industries, Feb 66 (12,13)	1-4608-2	G & W H Corson, Inc Dec 65, (7)	2-11542-2
Independent Coal and Coke Co. Mar 66 (13)	1-4985-2	Hawley Products Co Mar 66, (11,13)	2-16378-2
Norton Company, Mar 66 (11,13)	1-4760-2	Carolina Pipeline Co Mar 66, (7,10,13)	0-1597-2
Spencer Gifts, Inc. Mar 66 (2,4,8,9,11,13)	2-19723-2		
Bucyrus Erie Co. Mar 66 (12,13)	1-871-2		
Criterion Insurance Co. Mar 66 (11)	2-17806-2		

The Rowan Controller Co Mar 66, (13)	2-18216-2	Commerce Clearing House Inc. Mar 66 (11)	0-315-2
San Jose Water Works Mar 66, (11)	0-1019-2	Detrex Chemical Industries Jan 66 (12, 13)	0-784-2
Chatham Corp, Mar 66 (2,7,8, 13)	0-1540-2	Family Life Insurance Co. Mar 66 (7,11)	2-23350-2
Federal Sign and Signal Corp Mar 66, (11,13)	0-693-2	Frontier Airlines Inc. Mar 66 (12, 13)	1-4877-2
Lone Star Steel Co Mar 66, (3,11,13)	0-468-2	Indiana & Michigan Electric Co. Mar 66 (12)	1-3570-2
Missouri Power & Light Co Mar 66, (7,11,13)	0-1013-2	Infrared Industries Inc. Mar 66 (1)	0-1648-2
Roberts Co Mar 66, (11,12)	0-226-2	Kaiser Steel Corp. Mar 66 (7,13)	0-433-2
Springfield Gas Light Co Mar 66, (11)	0-721-2	Natco Corp. Mar 66 (12)	1-2767-2
Magna Pictures Corp Feb 66 (7,12)	0-1461-2	Ohio Power Co. Mar 66 (12)	0-1090-2
Jayark Films Corp Mar 66, (11,12,13)	2-18743-2	Revco D. S. Inc. Mar 66 (1,12,13)	1-5025-2
United States Lumber Co Mar 66, (2,13)	0-601-2	Southwestern Electric Service Co. Mar 66 (7)	0-22-2
Kent-Moore Corp Amd #1-8K for Jan 66 (2,4,7,13)	0-1596-2	Branco Inc. Mar 66 (11,13)	1-4195-2
Thompson-Starrett Co. Inc. Mar 66 (4,5,8,9,13)	1-301-2	Bymart-Tintair Inc. Dec 65 (7)	2-8823-2
Green Mountain Power Corp. Feb 66 (4,7,13)	0-1111-2	California Pacific Utilities Co. Mar 66 (7,13)	0-489-2
Aluminum Specialty Co. Mar 66 (12)	0-829-2	Cott Corporation, Mar 66 (12)	1-4532-2
American Electronic Laboratories Inc. Mar 66 (11)	0-230-2	A. C. Gilbert Co. Mar 66 (12,13)	1-254-2
Pacific Tel & Tel Co. Mar 66 (13)	1-1414-2	Lawyers Title Insurance Corp Mar 66 (11)	13-21-2
Riegel Paper Corp. Mar 66 (12, 13)	1-3959-2	Leed & Northrup Co. Mar 66 (8)	1-5192-2
Sea-Pak Corp. Feb 66 (4,7,8,11,13)	0-1820-2	N-L, Inc. Dec 65 (2,11,13)	0-1571-2
Shahmoon Industries Inc Mar 66 (7,10,11,13)	1-1142-2	Feb 66 (2,13)	0-1571-2
Southwest Indemnity & Life Ins. Co. Mar 66 (11,13)	2-16349-2	Servo Corp of America Feb 66 (7,8,9)	1-3925-2
Tung-Sol Electric Inc. Mar 66 (7,8)	1-2290-2	"21" Brands Inc. Mar 66 (2,13)	1-5218-2
		Great American Industries Inc. Feb & Mar 66 (2,7,13)	1-3782-2
		Photon, Inc. Apr 66 (11)	0-1025-2
		Robert Reis & Co. Mar 66 (6)	1-1419-2
		Torrington Mfg Co. Mar 66 (7)	0-915-2
		Arundel Corp. Mar 66 (11,13)	1-1313-2
		Colonial Stores Inc., Mar 66 (11)	0-1133-2
		Conso Products Inc. Mar 66 (7,13)	0-1851-2
		Flintkote Co., Mar 66 (11,13)	1-2560-2
		The Marley Co. Mar 66 (4,7,13)	0-166-2
		Richardson-Merrell Inc. Mar 66 (3)	1-1029-2

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended April 14, 1966, 38 registration statements were filed, 41 became effective, and 436 were pending at the week-end.

**SECURITIES ACT REGISTRATIONS. Effective April 15:** The Black and Decker Manufacturing Co., 2-24620; The Dow Chemical Co., 2-24676, 2-24828, 2-24829 and 2-24830; The Mead Corp., 2-24543; Orange and Rockland Utilities, Inc., 2-24682 (May 25).

**Effective April 18:** Chesapeake & Potomac Telephone Co. of Va., 2-24752 (July 26); Olympic Products Co., Inc., 2-24365 (90 days); Summit National Holding Co., 2-24492 (May 25); Thermobios Pharmaceuticals, Inc., 2-24364 (90 days).

**NOTE TO DEALERS.** The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

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