

# 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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*Cameron*



Washington 25, D.C.

FOR RELEASE July 24, 1961

**Statistical Release No. 1768.** The SEC Index of Stock Prices, based on the closing price of 300 common stocks for the week ended July 21, 1961, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1961 is as follows:

	1957-59 = 100		Percent Change	1961	
	7/21/61	7/14/61		High	Low
Composite	130.9	131.9	-0.8	136.3	118.3
Manufacturing	123.3	124.4	-0.9	128.8	113.0
Durable Goods	124.8	125.4	-0.5	132.1	117.0
Non-Durable Goods	121.9	123.4	-1.2	125.9	109.2
Transportation	100.3	102.8	-2.4	109.4	97.8
Utility	165.5	165.5	0.0	173.0	144.4
Trade, Finance & Service	156.9	158.2	-0.8	159.4	132.5
Mining	91.6	93.2	-1.7	99.5	83.3

**SECURITIES ACT REGISTRATION STATEMENTS.** During the week ended July 20, 1961, 40 registration statements were filed, 39 became effective, 1 was withdrawn, and 500 were pending at the week end.

**CLARISE SPORTSWEAR FILES FOR OFFERING AND SECONDARY.** Clarise Sportswear Company, Inc., 141 West 36th Street, New York, filed a registration statement (File 2-18533) with the SEC on July 21st seeking registration of 125,000 shares of common stock, of which 75,000 shares are to be offered for public sale by the company and 50,000 shares, being outstanding stock, by the present holders thereof. The stock is to be offered at \$5 per share on an all or none basis through underwriters headed by Alessandrini & Co. Inc. and Hardy & Hardy, which will receive a 50¢ per share commission. The registration statement also includes (1) 17,500 common shares which underlie 3-year warrants to be sold at 1¢ per warrant to the principal underwriters, exercisable at \$5 per share, (2) 30,000 common shares which underlie 2-year warrants to be similarly sold to Acme Missiles and Construction Corp., a finder, also exercisable at \$5 per share, and (3) 25,000 outstanding common shares which may be offered for public sale directly by the holders thereof to certain persons.

The company is primarily engaged in the production and sale of women's and misses popular priced sportswear, including toredor pants, Jamaica shorts, pedal pushers and short shorts. In addition, the company produces and sells combinations and ensembles of blouses and shorts or pants. Net proceeds from the company's sale of additional stock will be added to working capital to be available for general corporate purposes.

The company has outstanding 374,500 shares of common stock, of which Donald W. Jacobson, president, owns 185,000 shares and proposes to sell 37,500 shares, and Charles and Samuel Meltzer own 92,500 shares each and propose to sell 18,750 shares each.

**ANDERSON NEW ENGLAND CAPITAL CORP. FILES STOCK OFFERING.** Anderson New England Capital Corporation, 150 Causeway St., Boston filed a registration statement (File 2-18534) with the SEC on July 21st seeking registration of 400,000 shares of common stock, to be offered for public sale through underwriters headed by Putnam & Co. The public offering price and underwriting terms are to be supplied by amendment.

Organized under Massachusetts law in June 1961, the company intends to be licensed as a small business investment company under the Small Business Investment Act of 1958. It is registered under the Investment Company Act of 1940 as a closed-end, non-diversified management investment company. Net proceeds from the stock sale will be used, together with a portion of present capital not needed for initial working capital, to furnish equity capital and to make long term loans to small business concerns. Anderson-Nichols & Company, Inc., one of the principal organizers of the company, will provide the company with technical and economic information and investment advice.

The company has outstanding 23,450 shares of common stock, of which Kenneth W. Galeucia, vice president, E. Ross Anderson, board chairman, Howard Gambriil, Jr., president, and Putnam & Co. own 6.4%, 6.4%, 6.4% and 17.1%, respectively. Anderson and Galeucia are president and executive vice-president, respectively, of the investment adviser, and own respectively 40% and 16% of its outstanding stock.

**SCOT'S DISCOUNT ENTERPRISES PROPOSES OFFERING.** Scot's Discount Enterprises, Inc., East Windsor, Conn. filed a registration statement (File 2-18535) with the SEC on July 21st seeking registration of 175,000 shares of common stock, to be offered for public sale at \$2.25 per share. The offering is to be made on a best efforts basis by Willis E. Burnside & Co., Inc., which will receive a 40¢ per share selling commission, plus an additional 7¢ per share sold for expenses. The company also will pay the underwriter's counsel fees of \$6,000, as well as a finder's fee to Albert C. Waller of \$12,250 at the rate of 7¢ per share sold. The underwriter recently acquired 20,000 outstanding shares from management officials at \$.001 per share; and the company has sold nine-year warrants at \$.001 each to the underwriter covering an additional 25,000 shares, exercisable at \$2.50 per share.

OVER

The company was organized in May 1961 as the surviving corporation of a merger of Scot's Enterprises, Inc., and Atlas Appliance Corp. It is engaged in the business of selling nationally advertised and other merchandise at retail for cash at a low mark-up, at a store located on Route No. 5, Stoughton Rd., East Windsor. It intends to pursue a policy of increasing the number of stores in which it operates and expanding the line of merchandise sold, provided suitable locations are available. According to the prospectus, the company has obtained firm commitments for the leasing of space in two buildings now being erected, one in a shopping center on the Hartford Turnpike in Newington, Conn., and the second in a center on the Salem Turnpike in Norwich, Conn. Of the net proceeds of the sale of additional stock, estimated at \$274,000, \$25,000 will be used to purchase and install fixtures in the two new stores, \$20,000 for lease deposits, and the balance to purchase inventory and provide working capital.

The company now has outstanding 88,750 common shares, of which Aaron Soroker, president, Irving Zudekoff, treasurer, and Bernard Lee, secretary, own 25.6%, 25.6% and 21.7%, respectively. The management officials, owning all the outstanding stock of the predecessor companies at a total cost of \$38,000, exchanged their stock for the 88,750 outstanding shares. Thus, according to the prospectus, the promoters and the underwriter will own 33.7% of the outstanding stock (assuming sale of the new stock), which on April 30th had a net worth of \$42,838, and the public will own 66.3% at an aggregate cost of \$393,750. In addition, 75,000 additional shares may be issued upon exercise of nine-year warrants held by Soroker, Zudekoff, Lee and Roderick Eliason, vice president, the exercise price being \$2.50 per share.

**NATIONAL BOWLING LANES FILES FOR STOCK OFFERING.** National Bowling Lanes, Inc., 220 South 16th Street, Philadelphia, filed a registration statement (File 2-18536) with the SEC on July 21st seeking registration of 200,000 shares of capital stock, to be offered for public sale at \$5.50 per share. The underwriting terms are to be supplied by amendment (the company is now negotiating for a "best efforts" offering through Edward Lewis & Co. Inc., of New York).

The company owns and operates the Eastwick Lanes, a 24-lane bowling center in Philadelphia, and leases and operates the Washington Lanes, a 16-lane center in Millbrook, N. Y. The net proceeds from the stock sale will be used as follows: \$135,000 to expand the Eastwick center and to build and equip a cocktail lounge and restaurant on the property; \$55,000 to equip the proposed Meriden (Conn.) Lanes Bowling Center and \$35,000 for advance rentals; \$85,000 to acquire land at Danielson, Conn. and to erect a building thereon and \$35,000 to equip that center; \$62,350 to repay outstanding notes payable; and the balance for acquisition of additional centers and as working capital.

In addition to certain indebtedness, the company has outstanding 202,000 shares of common stock, of which J. Myron Honigman, president, owns 48.27% and management officials as a group 59.16%. An additional 69,500 shares are subject to options under the company's restricted stock option plan, exercisable at 50¢ per share.

**WALDBAUM FILES FOR OFFERING AND SECONDARY.** Waldbaum, Inc., 2300 Linden Blvd., Brooklyn, N. Y., filed a registration statement (File 2-18537) with the SEC on July 21st seeking registration of 183,150 shares of common stock, of which 120,000 shares are to be offered for public sale by the company and 63,150 shares, being outstanding stock, by the present holders thereof. Shields & Company heads the list of underwriters. The public offering price and underwriting terms are to be supplied by amendment.

The company operates a retail food chain of 32 supermarkets in the Counties of Kings, Queens and Nassau, New York and also conducts certain wholesale food operations. Of the net proceeds from the company's sale of additional stock, \$425,000 will be used to prepay 5½% notes, and the balance will be added to general funds and used to build and/or equip new supermarkets, to carry additional inventories in connection therewith and for other corporate purposes.

In addition to certain indebtedness, the company has outstanding 880,000 shares of common stock, of which Ira Waldbaum, president, owns 276,176 shares and proposes to sell 30,000 shares. Julia Waldbaum, secretary, owns 129,330 shares. The prospectus lists 6 other selling stockholders who propose to sell amounts ranging from 1,730 to 12,750 shares. On July 17, 1961, the company acquired all of the assets of Waldbaum Realty Corporation, Oceanwal Realty Corp., Chanwal Realty Corp., De Kalb Properties, Inc., and Sandy Equities, Inc., all subject to certain real estate mortgages, in exchange for 128,539 shares of its common stock, and the assumption of all of the outstanding obligations of such corporations other than the mortgages. At the time of such acquisition, the stockholders of the corporations were Ira Waldbaum, Julia Waldbaum, Shirley Witkin and David Karin, a vice president.

**SHULTON FILES FOR STOCK OFFERING.** Shulton, Inc., 697 Route 46, Clifton, N. J., filed a registration statement (File 2-18540) with the SEC on July 21st seeking registration of 50,000 Class A and 50,000 Class B common shares, to be offered for public sale on an all or none basis through underwriters headed by Smith, Barney & Co. The public offering price and underwriting terms are to be supplied by amendment.

The company is an integrated producer of toiletries products, fine organic chemicals, household chemical products and certain proprietary pharmaceutical specialties, (its trade marks include "Old Spice," "York Town" and "Escapade"). The net proceeds from the stock sale will be used for general corporate purposes including additional working capital. In addition to preferred stock, the company has outstanding 1,283,850 Class A and a like amount of Class B common shares, of which George L. Schultz, president, owns of record and part beneficially 58.76% of the Class B shares, and Alfred T. Stanley, treasurer, owns 53.90% of the Class A shares (and over 71% of the preferred stock). Each class of stock is entitled to elect one-half of the board of directors.

**FAMILY AFFAIR CO. PROPOSES OFFERING.** The Family Affair Company, 122 East 42nd Street, New York, a proposed limited partnership of which the general partner will be Andrew P. Siff, of 12 East 97th Street, New York, filed a registration statement (File 2-18541) with the SEC on July 21st seeking registration of 50 units or pre-formation limited partnership interests in the partnership, to be offered for sale at \$7,000 per unit.

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Siff is the promoter and "Producer." The sole business of the partnership will be the production of the dramatico-musical play tentatively entitled "A Family Affair," the rights and interests in which will be transferred by Siff to the partnership. Siff has by assignment from Leland Hayward acquired such rights under a contract made by Hayward with James Goldman, John Kander and William Goldman, the authors, who have warranted that the play will be "wholly original" with them and dealing with "the trials and tribulations" of two families in arranging for the marriage of a son and daughter, respectively. Proceeds of the sale of partnership interests will be applied to the production of the play.

**BEAM-MATIC HOSPITAL SUPPLY FILES FOR STOCK OFFERING.** Beam-Matic Hospital Supply, Inc., 25-11 49th St., Long Island City, N. Y., filed a registration statement (File 2-18542) with the SEC on July 21st seeking registration of 100,000 shares of common stock, to be offered for public sale at \$3 per share. The offering will be made on a best efforts basis through First Weber Securities Corp., which will receive a 35¢ per share selling commission and \$20,000 for expenses. The registration statement also includes 20,000 common shares which underlie 3-year warrants sold to the underwriter at \$.001 per warrant, exercisable at \$3 per share.

The company (formerly Beam-Matic, Inc.) manufactures and distributes, on an international basis, a specialized line of hospital equipment and supplies, some of which are of original design and some of which are covered by patents. Of the estimated \$241,000 net proceeds from the stock sale, \$90,000 will be used for expansion of present plant facilities, \$35,000 to purchase additional machinery and equipment, and the balance to expand present sales program, to develop new products and as additional working capital.

In addition to certain indebtedness, the company has outstanding 150,000 shares of common stock, of which Benjamin Marcus, president, and Beatrice Marcus, secretary-treasurer, own 50% and 47%, respectively, and management officials as a group 100%. The Marcuses acquired their stock interest in the company by transferring to the company upon its incorporation certain assets in the amount of \$139,975 subject to certain liabilities in the amount of \$136,975 of a predecessor partnership which operated under the trade name of Beam Metal Specialties. On June 30, 1961, Benjamin Marcus and Beatrice Marcus transferred to the company all of the stock owned by them in a corporation known as Beam Metal Specialties, Inc., which has acted in the past as a selling agent of the products of the company. Beam Metal Specialties, Inc. will continue as a wholly owned subsidiary of the company. Mr. and Mrs. Marcus received no additional shares as a result of the transfer of the common stock of the company's wholly owned subsidiary, Beam Metal Specialties, Inc.

**GIRDER PROCESS FILES FOR STOCK OFFERING.** Girder Process, Inc., 102 Hobart Street, Hackensack, N. J., filed a registration statement (File 2-18538) with the SEC on July 21st seeking registration of 80,000 shares of Class A common stock, to be offered for public sale at \$5.25 per share through underwriters headed by Winslow, Cohu & Stetson. A \$.5775 per share commission will be paid the underwriters. The registration statement also includes 12,500 Class A shares sold to the principal underwriter at \$.01 per share, of which 2,813 shares will be transferred to Joseph Tanzer, a finder, at the same price.

The company was organized under Delaware law in July 1961 as successor to a New Jersey corporation of the same name organized in 1948. It is engaged in the manufacture and sale of adhesive bonding films and related products. The net proceeds from the stock sale will be used for moving the company's operations under one roof in a modern plant with increased factory and office space, the purchase and construction of new machinery and equipment, research and laboratory product development, expansion of sales program and promotion, increased advertising, and additional working capital and general corporate purposes.

The company has outstanding 15,000 Class A and 80,000 Class B common shares. Of the Class A stock outstanding, 12,500 shares were issued to the principal underwriter and 2,500 to Leon W. Giellerup, company president, both at 1¢ per share. The 80,000 outstanding Class B shares were issued in exchange for the outstanding stock of the predecessor company; and the principal holders thereof (amounts to be supplied by amendment) will be Joseph Shaw and E. Lee McKnight, vice president and secretary-treasurer, respectively.

**DEVONSHIRE STREET FUND APPLICATION GRANTED.** The SEC has issued an exemption order under the Investment Company Act (Release IC-3295) permitting the Fund to accept the deposit of securities by three directors in exchange for the issuance of Fund shares.

**TOWNSEND COMPANIES INTERIM BOARD GRANTED EXEMPTION.** The SEC has issued an order under the Investment Company Act (Release IC-3296) granting an application of Townsend Corporation of America, Townsend Management Company, and a court-appointed Interim Board of Directors of the two companies for exemption from certain provisions of the said Act relating to stockholder election of directors, selection of independent accountants and related matters.

**WILLIAM BRADFORD REGISTRATION REVOKED.** The SEC today announced the issuance of an order under the Securities Exchange Act of 1934 revoking the broker-dealer registration of William Douglas Bradford, 639 Spring St., Los Angeles, Calif., for violations of provisions of that Act and Commission rules thereunder. The Commission's action sustained findings of its Hearing Examiner that Bradford violated the Commission's record-keeping requirements and failed to file the required annual reports of financial condition for 1957, 1958 and 1959, and that he is permanently enjoined by Federal court order from further violations of the said record-keeping and reporting requirements.

**EIGHT INDICTED IN FEDERAL BOWLING CENTERS STOCK SALE.** An indictment was returned July 21st (USDC SDNY), charging General Investing Corp. and the following individuals with fraud and conspiracy in the sale of common stock of Federal Bowling Centers, Inc. (formerly known as National Sports Centers, Inc. and National Sports Attractions, Inc.): Ralph De Pasquale, Alvin D. Stone, Jr., Ira J. Birnbaum (also known as Ira Birns), Samuel Balinsky (also known as Sam Balin), John Anton, Samuel Golden, and Thomas J. Crisona (LR-2063).

**CASAVAN INDUSTRIES ENJOINED.** The SEC New York Regional Office announced July 19th (LR-2066) the entry of a Federal court order (USDC SDNY) permanently enjoining Casavan Industries, Inc., Paul R. Casavina and Henrietta Zinovoy, from further violations of the Securities Act registration and anti-fraud provisions in the sale of Casavan Industries stock.

**GRO-RITE SHOE PROPOSES DEBENTURE RIGHTS OFFERING.** Gro-Rite Shoe Company, Inc., Route 2, Box 129, Mount Gilead, North Carolina, filed a registration statement (File 2-18543) with the SEC on July 21st seeking registration of \$500,000 of 6% convertible subordinated debentures due 1970. It is proposed to offer such debentures for subscription at \$100 per debenture by stockholders at the rate of one \$100 debenture for each 60 shares held. The record date is to be supplied by amendment. No underwriting is involved. In the event any debentures are not subscribed for, the company may employ registered broker-dealers on a best efforts basis and pay \$10 per debenture as selling commission.

The company is engaged in the manufacture and sale to retail outlets of children's shoes under a patented method of vulcanizing called "Process 82." The process is handled under a royalty agreement with Ro-Search, Incorporated, for a term of 15 years at a royalty of 2% of net sales; and the company also pays a royalty of  $\frac{1}{2}$  of 1% of net sales to S. J. Brower Shoe Company for use of its trademark, "Grow-Right." The net proceeds from the debenture sale will be used principally to purchase additional molds necessary to increase size ranges, to construct warehouse space, to purchase and install additional fire protection equipment, to increase the inventory of finished shoes for immediate shipment upon receipt of orders, and for working capital.

In addition to certain indebtedness, the company has outstanding 300,000 shares of common capital stock, of which Branson J. McRae, president, and/or Lorraine McRae, secretary, own 124%, McRae Brothers Mfg. Corp. (of which Branson J. McRae is principal stockholder) 20%, and management officials as a group 39%.

**EASTMAN KODAK FILES SAVINGS AND INVESTMENT PLAN.** Eastman Kodak Company, 343 State Street, Rochester, N. Y., filed a registration statement (File 2-18544) with the SEC on July 21st seeking registration of 473,933 shares of common stock which may be purchased under the company's Employees' Savings and Investment Plan.

**LONG FALLS REALTY FILES FOR OFFERING.** Long Falls Realty Company, 18 East 41st Street, New York, filed a registration statement (File 2-18545) with the SEC on July 21st seeking registration of \$1,708,500 of limited partnership interests, to be offered for public sale at \$3,000 per interest. The offering will be made on a best efforts basis through Tenney Securities Corp., which will receive a selling commission of 8.5%. Lasro Corp., a subsidiary of the underwriter, will be paid \$250,042 for expenses incurred in the formation of the partnership, acquisition of certain property and this offering.

The company is a limited partnership organized under New York law in July 1961 with Manuel Kalkstein, Belle Bergner and Louis Stabiner as its general partners and said persons and Bertha Collins as original limited partners. The partnership owns a contract to purchase from South Falls Corp., for \$1,300,000, the fee title to two tracts of land, each consisting of seven acres, one in Wichita Falls, Texas and the other in Longview, Texas, upon each of which there is being constructed by the seller a one-story 75,000 square foot building and parking area for use as a self-service discount department store. Both stores are expected to be open by November 1961. The partnership will enter into net leasebacks with the seller which will enter into subleases with Giant Stores of Wichita Falls and of Longview which will operate the properties. They are subsidiaries of Giant Stores, Inc., a private holding company organized to operate a chain of such discount stores. The general and limited partners have contributed cash sums totalling \$10,000 and their undivided interests in the purchase contract at an aggregate agreed value of \$3,500, for which they have received an aggregate of \$7,500 in general partnership interests and \$6,000 in original limited partnership interests.

**HILTON HOTELS FILES FOR SECONDARY.** Hilton Hotels Corporation, 720 South Michigan Avenue, Chicago, today filed a registration statement (File 2-18547) with the SEC seeking registration of 62,500 outstanding shares of common stock, which may be offered for public sale by the holders thereof on the New York or Pacific Coast Stock Exchanges, or otherwise, at prices current at the time of such sale. Such shares were sold by the company in February 1961 to Kaiser-Burns Development Corp. in connection with, and as a part of the consideration for, the acquisition of the Hawaiian Village hotel, Honolulu, Hawaii. The total purchase price represented said shares and \$19,341,951 in cash. In addition to various indebtedness and preferred stock, the company has outstanding (as of April 1961) 3,790,528 shares of common stock, of which Conrad N. Hilton, board chairman and president, owns 21% and management officials as a group 46%.

**RONALD MARK & CO. ENJOINED.** The SEC New York Regional Office announced July 21st (LR-2057) the entry of a Federal court order (USDC SDNY) preliminarily enjoining Ronald Mark & Co., Inc., its president Sidney Simon, and its salesmen Leonard Geller, Max Tannenbaum and Norman Miller, from further violations of the anti-fraud provisions of the securities laws in the offer and sale of stock of Trans Central Industries, Inc. (formerly Trans Central Petroleum Corp.)

**SEC COMPLAINT NAMES COMMITTEE OF UNITED INDUSTRIAL SHAREHOLDERS.** The SEC has filed a complaint (USDC Los Angeles) seeking to enjoin violations of its proxy rules by the United Industrial Corp. Stockholders' Protective Committee and others in connection with the current proxy contest for control of United. (LR-2068)

**SECURITIES ACT REGISTRATIONS. Effective July 24:** Model Vending, Inc. (File 2-18017); Nuveen Tax-Exempt Bond Fund, Series I (File 2-17474).